11/6/85 B86 U7980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 6 No. 8
September 1985

Current Economic Developments in New Mexico

The national economy remains quite weak. Real GNP increased an anemic 1.0 percent in the first half of 1985 after a strong 6.8 percent increase in 1984. The recent 2.8 percent flash estimate of real GNP growth for the third quarter indicates little improvement in the economy's performance. Industrial production has slowed to a 2.0 percent annual pace, while real consumer and business spending has continued to increase almost 5.0 percent. The gap between strong spending and weak domestic production has been filled by surging imports, causing the foreign trade deficit to approach $130 billion.

There are signs that the weakness in domestic industrial production is spreading to other sectors. The pace of retail sales and domestic auto sales had slowed before the recent auto company financing schemes. Personal income growth has slowed from a 9.8 percent rate in 1984 to now less than 5.0 percent in the first half of 1985. Consumer debt ratios are at a historically high level, while savings rates have plunged to a record low 2.8 percent in August. With slower income growth, the burden of high debt and low current savings, it will be difficult for the American consumer to continue spending.

On a positive note, interest rates have now fallen to four year lows and inflation remains quite mild. The Consumer Price Index is increasing in the 3.5 percent range, and there are few signs of any inflationary pressures with food and energy prices falling. One disappointment has been the lack of any real stimulus from the lower interest rates. Housing starts in August, for example, were still below the level of last April.

The New Mexico economy has followed the national pattern of slower growth in 1985, but it now appears that the state's economy is performing worse than the national economy. In July, the New Mexico unemployment rate rose to 9.5 percent, up from the 7.3 percent rate a year ago. The U.S. unemployment rate by comparison has held steady at a 7.3 percent rate (it fell to 7.0 percent in August). Total employment within New Mexico fell 0.3 percent in July, after having increased 6.4 percent in 1984. There are now 15,000 more New Mexicans unemployed in July than there were a year ago.

The state's mining sector is feeling the adverse impact of lower prices, stiff foreign competition and weak demand. In June, New Mexico oil and natural gas production fell from year ago levels—0.9 percent and 6.4 percent, respectively. Coal production within the state, which had expanded smartly in 1984, also fell 24.0 percent in the second quarter and 29.0 percent again in July compared to a year ago.

Construction activity, particularly outside of Albuquerque, has weakened. The dollar value of New Mexico residential and non-residential building permits—indicators of future construction—is now below the level of a year ago. Residential permits fell 11.9 percent in July compared to year ago figures, while non-residential construction contracts fell 14.6 percent. Construction in Albuquerque is still booming with a 12.1 percent increase in construction employment in the second quarter. However, in areas outside of Albuquerque construction employment fell 5.2 percent. Reported high apartment and office vacancy rates will likely discourage future construction.

New Mexico manufacturing employment managed only a small 0.3 percent increase in July over last year, reflecting the recent layoffs at electronic manufacturers throughout the state. Job losses are also evident in the state's textile/apparel sector, where foreign competition is particularly severe. New Mexico retail trade employment increased 4.0 percent in July, but this reflected a very strong 9.1 percent increase in Albuquerque and only a 0.5 percent increase in areas outside of Albuquerque.

New Mexico's large government sector has exhibited lackluster growth for the last several years. Federal government employment today in New Mexico is no higher than it was in 1981. In July, federal employment managed a slim 0.3 percent increase over a year ago. State and local government also has been constrained by weaker growth in the state's energy-based revenues. Local government employment increased 2.3 percent in July, while state employment increased 4.3 percent compared to year ago levels. The state employment growth was concentrated in Albuquerque and Las Cruces, reflecting expanded student hiring at the state's universities.

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ECONOMIC INDICATORS

	QUARTERLY AVERAGES AND TOTALS*			
	1984		1985	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
1. GENERAL				
CIVILIAN LABOR FORCE** (000)	636.5	640.6	634.0	643.0
SEASONALLY ADJUSTED	629.5	638.3	645.2	641.3
TOTAL EMPLOYMENT** (000)	591.0	594.6	583.8	588.3
SEASONALLY ADJUSTED	583.6	591.3	596.5	586.8
UNEMPLOYMENT** (000)	45.5	45.9	50.2	54.6
SEASONALLY ADJUSTED	45.9	47.0	48.7	54.5
UNEMPLOYMENT RATE (%)	7.1	7.2	7.9	8.5
SEASONALLY ADJUSTED	7.3	7.4	7.6	8.5
WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS (T)	4168.0	4540.0	4934.0	4046.0
SEASONALLY ADJUSTED	4407.2	4577.5	4555.9	4189.0
NONAGRICULTURAL WAGE/SALARY EMPLOYMENT*** (000)	507.7	513.8	507.3	516.6
SEASONALLY ADJUSTED	504.8	511.8	513.8	515.3
NEW BUSINESS INCORPORATIONS (T)	781.0	707.0	742.0	N
BUSINESS FAILURE LIABILITIES ($000) (T)	N	N	N	N
2. AGRICULTURAL RECEIPTS				
LIVESTOCK AND PRODUCTS ($MIL.) (T)	131.9	218.5	N	N
SEASONALLY ADJUSTED	171.3	156.7	N	N
CROPS ($MIL.) (T)	96.3	123.0	N	N
SEASONALLY ADJUSTED	96.3	73.5	N	N
3. MINING PRODUCTION				
PETROLEUM (000 BBLS.) (T)	19668.9	19678.2	19532.1	19557.2
NATURAL GAS (BIL. CU. FT.) (T)	226.7	264.9	254.0	206.9
SEASONALLY ADJUSTED	238.0	256.1	237.6	219.0
COPPER ORE (000 TONS) (T)	N	N	N	N
COAL PRODUCTION (000 SHORT TONS) (T)	6261.0	8751.0	6646.0	4425.0
4. CONSTRUCTION				
RESIDENTIAL BUILDING PERMITS ($MIL.) (T)	178.5	132.6	125.8	171.9
SEASONALLY ADJUSTED	N	N	N	N
RESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.) (T)	186.7	168.3	210.3	199.4
SEASONALLY ADJUSTED	176.0	169.6	253.7	184.6
NONRESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.) (T)	238.6	198.4	113.8	136.4
NONBUILDING CONSTRUCTION CONTRACTS ($MIL.) (T)	118.9	108.3	73.7	83.9
5. MANUFACTURING				
EMPLOYMENT*** (000)	37.3	37.5	36.5	36.8
SEASONALLY ADJUSTED	37.0	37.1	37.2	36.9
AVERAGE WEEKLY HOURS	40.1	40.4	39.0	40.4
SEASONALLY ADJUSTED	40.5	40.3	39.1	40.0

ECONOMIC INDICATORS (continued)

1985			PERCENTAGE CHANGE						
MAY	JUNE	JULY	III 1983- III 1984	IV 1983- IV 1984	I 1984- I 1985	II 1984- II 1985	MAY 1984- MAY 1985	JUNE 1984- JUNE 1985	JULY 1984- JULY 1985
641.3	646.0	646.4	3.0	4.1	3.8	2.3	2.4	1.2	2.2
639.9	637.7	636.4	3.0	4.1	3.8	2.3	2.4	1.2	2.2
588.9	587.0	585.3	6.2	5.8	4.3	1.0	1.1	-0.8	-0.2
586.6	581.2	577.2	6.2	5.9	4.3	1.0	1.1	-0.8	-0.2
52.4	59.0	61.1	-25.7	-14.3	-1.4	19.5	19.1	27.4	32.5
53.3	56.5	59.2	-25.7	-14.2	-1.4	19.4	19.0	27.8	32.5
8.2	9.1	9.5	-28.0	-17.9	-5.1	16.9	17.1	24.7	30.1
8.3	8.9	9.3	-27.9	-17.5	-5.0	16.6	16.2	26.2	29.8
1303.0	1261.0	1282.0	-14.2	-13.6	-1.1	-8.2	2.9	-27.6	-12.4
1480.7	1221.9	1256.9	-13.9	-13.9	-0.2	-7.5	2.8	-27.3	-12.3
518.0	518.1	513.4	4.6	5.0	3.8	2.8	3.1	2.1	2.3
515.9	515.0	511.9	4.6	5.1	3.7	2.8	3.1	2.1	2.3
N	N	N	19.8	18.4	13.1	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	4.0	-5.3	N	N	N	N	N
N	N	N	10.5	-7.7	N	N	N	N	N
N	N	N	16.6	-15.6	N	N	N	N	N
N	N	N	16.7	-5.8	N	N	N	N	N
6646.8	6365.9	N	4.1	4.1	1.0	0.6	0.4	-0.9	N
72.1	62.1	N	7.2	12.2	6.1	-1.8	-0.6	-6.4	N
75.8	70.8	N	7.3	12.4	5.8	-1.8	-0.3	-6.1	N
N	N	N	N	N	N	N	N	N	N
1462.0	1335.0	895.0	29.0	57.5	24.8	-24.0	-23.1	-43.8	-29.0
57.0	53.1	52.1	40.4	22.2	-23.9	-17.9	-24.5	-16.1	-11.9
N	N	N	N	N	N	N	N	N	N
66.9	64.7	108.1	16.3	5.1	32.3	-14.0	-4.1	-30.1	81.6
62.1	51.3	110.3	18.8	2.4	32.5	-13.4	-5.5	-31.0	83.1
52.7	43.6	72.0	19.7	52.3	4.8	-13.8	-32.5	5.3	-14.6
26.3	25.6	26.7	23.2	-21.0	2.1	8.5	21.0	2.9	-20.5
36.9	37.0	36.7	7.1	6.4	4.3	0.6	0.6	0.3	0.3
36.9	36.9	36.9	7.1	6.5	4.3	0.6	0.6	0.3	0.3
40.1	40.6	39.1	3.2	2.2	-0.2	0.9	-0.2	-0.7	-2.7
39.6	40.2	38.9	3.2	2.3	-0.3	0.8	-0.2	-0.8	-2.7

ECONOMIC INDICATORS (continued)

	QUARTERLY AVERAGES AND TOTALS*			
	1984		1985	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
6. TRANSPORT./COMMUNIC./UTIL.				
EMPLOYMENT*** (000)	29.5	30.4	30.1	29.9
7. TRADE				
WHOLESALE EMPLOYMENT*** (000)	22.5	22.5	22.1	22.2
RETAIL EMPLOYMENT*** (000)	97.9	99.2	95.9	99.0
SEASONALLY ADJUSTED	96.3	98.0	98.7	99.1
AVERAGE WEEKLY HOURS	35.6	35.3	35.3	35.9
8. FINANCE				
NEW BANK LOANS ($MIL.) (T)	N	N	N	N
SEASONALLY ADJUSTED	N	N	N	N
BANK DEMAND DEPOSITS ($MIL.)	N	N	N	N
BANK TIME DEPOSITS ($MIL.)	N	N	N	N
TOTAL SAVINGS DEPOSITS AT S&L'S ($MIL.)	3352.5	3508.4	3613.0	3796.8
NEW SAVINGS RECEIVED AT S&L'S ($MIL.) (T)	1436.4	1564.0	2216.8	2640.5
9. SERVICES AND TOURISM				
SERVICE EMPLOYMENT*** (000)	110.3	109.3	109.0	112.1
SEASONALLY ADJUSTED	107.6	110.8	111.0	111.4
LODGING EMPLOYMENT*** (000)	11.5	10.7	10.1	10.9
SEASONALLY ADJUSTED	10.7	11.0	10.7	10.8
VISITS TO NATIONAL PARKS/MONUMENTS (000) (T)	665.7	257.7	232.9	573.9
SEASONALLY ADJUSTED	426.6	449.0	414.6	437.9
10. GOVERNMENT				
FEDERAL EMPLOYMENT*** (000)	30.0	29.0	29.1	30.1
STATE EMPLOYMENT*** (000)	42.7	46.5	46.9	45.6
CITY AND COUNTY EMPLOYMENT*** (000)	53.0	56.8	57.1	57.1

NOTE: SEASONALLY ADJUSTED FIGURES ARE ECONOMIC TIME SERIES WHICH HAVE HAD SEASONAL VARIATIONS REMOVED WITH STATISTICAL PROCESSES. THESE PURELY SEASONAL VARIATIONS INCLUDE THE EFFECTS OF: THE OPENING AND CLOSING OF SCHOOL, THE ANNUAL PATTERN OF SEASONS (ESPECIALLY APPLICABLE TO AGRICULTURAL DATA), HOLIDAYS, AND OTHER ANNUAL RECURRING EVENTS WHICH INFLUENCE ECONOMIC ACTIVITY. BY REMOVING THESE SEASONAL VARIATIONS FROM RAW ECONOMIC DATA, MONTH-TO-MONTH ANALYSIS OF TRENDS AND UNUSUAL FLUCTUATIONS IN ECONOMIC ACTIVITY IS FACILITATED.

* THE DATA SERIES HAVING QUARTERLY TOTALS, RATHER THAN AVERAGES, ARE FOLLOWED BY A "T" IN PARENTHESES. EXAMPLE: WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS (T). IF A SERIES IS REPRESENTED BY QUARTERLY TOTALS, THE SEASONALLY ADJUSTED FIGURES THAT ACCOMPANY THE SERIES ARE ALSO TOTALS. ALL OTHER SERIES ARE QUARTERLY AVERAGES.

** NUMBER OF PERSONS BY PLACE OF RESIDENCE.

*** NUMBER OF JOBS BY PLACE OF WORK.

N NOT AVAILABLE.

ECONOMIC INDICATORS (continued)

1985			PERCENTAGE CHANGE						
MAY	JUNE	JULY	III 1983- III 1984	IV 1983- IV 1984	I 1984- I 1985	II 1984- II 1985	MAY 1984- MAY 1985	JUNE 1984- JUNE 1985	JULY 1984- JULY 1985
30.4	29.1	29.0	1.2	2.2	1.0	-0.3	1.0	-2.0	-0.7
22.2	22.4	22.4	4.0	2.3	1.1	-0.9	-0.4	-1.3	-0.4
99.3	100.9	101.0	7.2	7.6	6.2	4.6	4.5	4.0	4.0
99.1	99.5	99.7	7.2	7.7	6.2	4.6	4.5	4.0	3.9
35.6	36.4	36.4	-0.2	-1.2	1.5	0.4	-0.8	1.4	1.4
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
3787.3	3848.6	N	19.7	21.6	19.8	18.8	18.7	18.0	N
953.5	844.7	N	58.4	54.6	83.3	67.4	105.2	40.3	N
111.1	114.4	115.3	7.5	7.9	6.5	5.3	5.2	5.2	4.4
111.2	111.6	111.2	7.6	7.9	6.4	5.3	5.2	5.3	4.5
10.7	11.4	11.8	3.3	4.9	1.3	0.9	0.9	1.8	1.7
10.8	10.9	10.9	3.4	5.0	1.4	0.9	0.9	1.9	1.8
185.5	236.5	291.9	-6.5	4.5	-8.7	-5.1	-5.7	-5.3	-1.1
144.5	139.3	150.4	-6.4	7.4	-9.5	-4.8	-6.5	-7.8	3.4
30.2	30.6	30.7	1.3	2.6	0.0	0.9	1.0	0.7	0.3
46.1	43.0	41.3	1.2	3.0	3.1	4.5	7.2	2.4	4.3
57.9	55.9	52.6	0.0	3.0	2.2	1.7	2.5	0.7	2.3

SOURCES: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT: SECTIONS 1, 5, 6, 7, 9, 10; DUN AND BRADSTREET, INC: SECTION 1; USDA STATISTICAL REPORTING SERVICE: SECTION 2; OIL CONSERVATION COMMISSION: SECTION 3; NEW MEXICO TAXATION AND REVENUE DEPT.: SECTION 3; U. S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS: SECTION 4; F. W. DODGE CO. (A DIVISION OF MCGRAW-HILL, INC.): SECTION 4; FEDERAL POWER COMMISSION: SECTION 6; BANK REPORT (33): SECTION 8; FEDERAL HOME LOAN BANK OF LITTLE ROCK: SECTION 8; U. S. DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE: SECTION 9.

CONSUMER PRICE INDEXES AND INDEXES OF SELECTED CATEGORIES
U.S.CITY AVERAGE
(1967=100)

	ALL URBAN CONSUMERS				REVISED SERIES, WAGE EARNERS AND CLERICAL WORKERS			
			% CHANGE				% CHANGE	
	JULY 1985	JUNE 1985	JULY 84- JULY 85	JUNE 85- JULY 85	JULY 1985	JUNE 1985	JULY 84- JULY 85	JUNE 85- JULY 85
ALL ITEMS	322.8	322.3	3.6	0.2	319.1	318.7	3.8	0.1
FOOD	309.5	309.3	2.1	0.1	309.0	308.8	2.0	0.1
HOUSING	351.6	350.4	4.0	0.3	345.0	344.0	5.0	0.3
APPAREL & UPKEEP	202.8	204.6	3.2	-0.9	201.8	203.7	3.3	-0.9
TRANSPORTATION	321.8	321.8	2.8	0.0	323.5	323.6	2.6	0.0
MEDICAL CARE	404.0	401.7	6.2	0.6	402.0	399.8	6.2	0.6
ENTERTAINMENT	265.7	264.8	4.1	0.3	260.9	260.1	3.8	0.3
OTHER GOODS & SERVICES	325.0	323.0	6.0	0.6	321.8	319.5	5.7	0.7

SOURCE: U.S. DEPARTMENT OF LABOR, NEWS.

HOURS AND EARNINGS OF PRODUCTION, CONSTRUCTION, AND NONSUPERVISORY EMPLOYEES
NEW MEXICO
(MONTHLY AVERAGES)

	AVERAGE WEEKLY HOURS			% CHANGE	AVERAGE HOURLY EARNINGS			% CHANGE
	JULY 1985P	JUNE 1985R	JULY 1984R	JULY 84- JULY 85P	JULY 1985P	JUNE 1985R	JULY 1984R	JULY 84- JULY 85P
MINING	41.2	41.1	40.5	1.8	$11.54	$11.91	$11.57	-0.2
CONSTRUCTION	36.3	35.3	38.2	-4.9	10.60	10.48	10.26	3.4
MANUFACTURING	39.1	40.6	40.2	-2.7	8.76	8.20	8.16	7.4
DURABLE GOODS	38.9	41.0	40.7	-4.4	9.17	8.49	8.32	10.3
NONDURABLE GOODS	39.6	39.7	39.3	0.8	7.78	7.49	7.80	-0.2
COMMUNICATION & UTILITIES	40.9	43.1	42.0	-2.6	10.47	10.97	10.37	1.0
TRADE*	36.4	36.4	35.9	1.4	7.34	7.58	7.39	-0.6
BANKING	38.9	40.0	39.3	-1.0	5.55	5.48	5.34	4.0

P PRELIMINARY.
R REVISED.
* EXCLUDES EATING AND DRINKING PLACES.
SOURCE: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT.

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT

	NEW MEXICO			ALBUQUERQUE AREA*			LAS CRUCES AREA**		
	JULY 1985P	JUNE 1985R	JULY 1984R	JULY 1985P	JUNE 1985R	JULY 1984R	JULY 1985P	JUNE 1985R	JULY 1984R
TOTAL CIVILIAN LABOR FORCE	646,400	646,000	632,500	244,700	244,300	235,900	42,200	44,700	39,900
EMPLOYMENT***	585,300	587,000	586,400	227,000	227,300	221,500	37,600	40,100	36,400
UNEMPLOYMENT	61,100	59,000	46,100	17,700	17,000	14,400	4,600	4,600	3,400
UNEMPLOYMENT RATE (%)	9.5	9.1	7.3	7.2	7.0	6.1	10.9	10.3	8.6
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	513,400	518,100	502,100	217,400	217,900	208,300	34,000	35,800	31,800
MINING	20,100	20,300	21,200	200	200	300	N	N	N
CONTRACT CONSTRUCTION	38,400	38,400	38,700	17,700	17,500	15,700	2,800	2,800	2,800
MANUFACTURING	36,700	37,000	36,600	19,300	19,200	19,300	3,300	3,300	3,500
DURABLE GOODS	24,400	24,400	23,900	13,700	13,600	13,800	1,500	1,500	1,500
NONDURABLE GOODS	12,300	12,600	12,700	5,600	5,600	5,500	1,800	1,900	2,000
TRANSPORTATION&PUBLIC UTILITIES	29,000	29,100	29,200	11,800	11,800	11,800	1,300	1,300	1,300
TRADE	123,400	123,300	119,600	56,800	56,600	53,200	7,700	7,700	7,200
WHOLESALE	22,400	22,400	22,500	13,700	13,700	13,700	900	900	900
RETAIL	101,000	100,900	97,100	43,100	42,900	39,500	6,900	6,900	6,400
FINANCE, INSURANCE, & REAL ESTATE	25,900	26,100	24,800	13,400	13,500	12,600	1,600	1,600	1,400
SERVICES & MISCELLANEOUS	115,300	114,400	110,400	55,900	56,300	54,100	5,000	4,900	4,700
GOVERNMENT	124,600	129,500	121,600	42,300	42,800	41,300	12,400	14,400	11,000
FEDERAL	30,700	30,600	30,600	12,900	12,900	12,600	4,700	4,700	4,800
STATE	41,300	43,000	39,600	10,400	10,700	10,400	4,400	5,000	3,100
LOCAL	52,600	55,900	51,400	19,000	19,200	18,300	3,300	4,700	3,100

N NOT AVAILABLE, LESS THAN 50 JOBS.
P PRELIMINARY.
R REVISED.
* INCLUDES BERNALILLO COUNTY.
** DONA ANA COUNTY.
*** INCLUDES LABOR DISPUTES.

ALBUQUERQUE* BANKING DATA
($000S)

	QUARTER		% CHANGE
	II 1985	II 1984	II 1984- II 1985
BANKS			
TOTAL ASSETS	$ 3,547	$ 3,232	9.8
LOANS, NET	1,980	1,712	15.7
TOTAL DEPOSITS	2,913	2,614	11.5
SAVINGS & LOAN			
SAVINGS DEPOSITS	$ 2,216	$ 1,689	31.3
NEW SAVINGS RECEIVED	2,126	1,096	94.0

P PRELIMINARY
* BERNALILLO COUNTY FOR BANK INFORMATION, ALBUQUERQUE SMSA FOR SAVINGS AND LOAN DATA.
** IN DOMESTIC OFFICES.
SOURCE: QUARTERLY STATEMENT OF CONDITION FOR BANKS, FEDERAL HOME LOAN BANK OF LITTLE ROCK.

NUMBER OF BUILDING PERMITS AND UNITS

	RESIDENTIAL (UNITS)				NONRESIDENTIAL (PERMITS)			
			CUMULATIVE TOTAL THROUGH JULY				CUMULATIVE TOTAL THROUGH JULY	
	JULY 1985	JULY 1984	1985	1984	JULY 1985	JULY 1984	1985	1984
ALAMOGORDO	18	21	131	311	13	8	81	88
ALBUQUERQUE	682	517	3,586	5,202	24	43	246	228
ARTESIA	6	4	13	24	0	6	27	57
CARLSBAD	7	8	35	88	46	22	161	134
CLOVIS	10	5	88	72	11	12	47	50
DEMING	4	3	16	37	4	3	18	11
ESPANOLA	0	0	22	9	3	1	21	12
FARMINGTON	9	14	83	119	4	5	20	11
GALLUP	4	9	21	35	7	2	25	28
HOBBS	1	5	29	37	1	0	6	14
LAS CRUCES	44	114	407	774	30	28	155	197
LOS ALAMOS	4	47	65	80	7	6	29	40
PORTALES	1	1	12	4	3	2	16	14
RATON	3	2	10	7	7	1	16	25
ROSWELL	7	17	73	112	34	18	129	126
RUIDOSO	14	80	99	270	8	7	54	56
SANTA FE	93	80	374	809	21	16	93	102
SOCORRO	4	3	31	8	1	2	11	13
REM. OF STATE	328	374	2,493	2,452	160	141	849	955
TOTAL	1,239	1304	7,588	10450	384	323	2,004	2,161

SOURCE: U.S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS.

VALUE OF BUILDING PERMITS--SELECTED CITIES

	RESIDENTIAL				NONRESIDENTIAL			
			CUMULATIVE TOTAL THROUGH JULY				CUMULATIVE TOTAL THROUGH JULY	
	JULY 1985	JULY 1984	1985	1984	JULY 1985	JULY 1984	1985	1984
ALAMOGORDO	$ 921,935	$ 1,004,752	$ 5,695,890	$ 9,189,630	$ 332,601	$ 279,607	$ 1,677,058	$ 4,389,569
ALBUQUERQUE	22,284,106	21,231,192	140,520,833	186,228,156	9,739,800	7,339,271	84,916,312	61,142,109
ARTESIA	204,400	212,000	506,400	1,132,120	0	10,000	1,649,257	2,195,700
CARLSBAD	622,401	291,665	2,078,354	3,899,064	1,353,230	331,545	2,591,563	1,461,258
CLOVIS	450,913	414,745	5,083,733	2,960,655	370,619	578,590	4,648,961	2,484,057
DEMING	80,352	117,891	497,716	1,004,265	10,765	8,441	56,024	29,826
ESPANOLA	0	0	840,669	267,822	139,916	4,000	522,616	616,754
FARMINGTON	275,127	559,752	3,023,979	4,545,810	171,148	161,550	1,125,528	902,727
GALLUP	181,880	345,605	938,728	1,535,580	291,840	160,601	1,641,650	2,784,340
HOBBS	50,000	684,000	1,815,100	3,198,725	10,000	0	713,000	2,628,690
LAS CRUCES	2,390,830	2,655,500	17,930,055	31,158,676	1,587,881	965,002	8,686,307	8,499,502
LOS ALAMOS	304,581	1,922,488	5,386,600	4,983,788	23,455	3,884	137,414	425,724
PORTALES	50,000	57,615	705,986	165,501	55,000	4,863	128,618	114,338
RATON	230,756	91,497	794,358	304,497	44,554	1,500	332,565	718,911
ROSWELL	364,700	866,500	3,926,521	5,397,850	272,378	2,870,500	884,023	5,742,268
RUIDOSO	1,254,851	4,304,961	7,552,536	18,979,472	4,025,128	373,473	5,769,863	4,688,890
SANTA FE	4,130,876	4,420,590	17,938,357	33,568,696	1,753,597	1,389,164	12,207,365	33,154,038
SOCORRO	138,000	106,000	842,000	216,000	3,000	5,900	55,400	821,900
REM. OF STATE	18,128,496	19,792,990	127,929,061	127,267,647	18,442,882	14,289,030	114,523,116	86,797,884
TOTAL	52,064,204	59,079,743	344,006,876	436,003,954	38,627,794	28,776,921	242,266,640	219,598,485

SOURCE: U.S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS.

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Single Copies $1.85

12/12/85 U 7980-

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 6 No. 9
October 1985

Current Economic Developments in New Mexico

Despite recent upbeat news, such as the real GNP growth estimate of 3.3 percent in the third quarter, the national economy remains quite weak. The domestic auto manufacturer's incentive schemes in August and September artificially boosted personal consumption spending data. In early October, auto sales have plummeted from the lofty 11.3 million unit annual rate in September to only 6.6 million units.

Domestic spending by consumers, businesses and the federal government continues to outstrip the growth in domestic production with this gap being filled by surging imports. The inroad of foreign goods into this country has raised strong protectionist sentiment in the United States, which has been a strong advocate of free trade for the last 40 years. The manufacturing sector has lost 337,000 jobs since the first of the year, while industrial output has expanded at an annual rate of only 1.5 percent in 1985.

There are many discouraging signs about the outlook for the national economy. Personal income growth has slowed to the 3.5 to 4.5 percent range after having increased 9.8 percent last year. Consumer savings have reached an all-time low of 1.9 percent of disposable income, as consumer debt has increased to a record level. All of these indicators point toward much reduced consumer spending ahead.

Business spending for new plants and equipment has been quite strong. However, low plant utilization rates and high vacancy rates for commercial office space all across the nation suggest lower business spending next year. Federal government spending, particularly defense spending, has been a major contributor to past domestic growth. But efforts now to trim the federal deficit will lead to a slower pace of government spending.

Interest rates have fallen sharply during 1985 and have recently stabilized in the last two months. These lower interest rates were widely expected to stimulate the interest-rate sensitive economic sectors. However, such has not been the case. Housing starts, for example, are now lower than they were last spring and in September they fell 9.3 percent to a 1.98 million unit annual rate.

The New Mexico economy has been tracking the national economy very closely in 1985. After having increased almost 5.0 percent in 1984, New Mexico total nonagricultural employment increased only 1.6 percent in August compared to a year ago. As measured by a household survey of employment, total New Mexico employment in August actually was 0.4 percent below year earlier figures. The state unemployment rate has risen sharply this year and now stands at 9.0 percent, up from the 7.1 percent rate in August, 1984.

The weakness in the New Mexico economy is now concentrated in the industrial sectors—mining and manufacturing. New Mexico mining employment fell 6.1 percent in August compared to year ago levels, with employment losses suffered in uranium, potash, oil and natural gas. New Mexico petroleum production fell 1.5 percent in July, while natural gas production fell a sharp 9.6 percent. New Mexico manufacturing employment was level in August compared to year ago figures; however, this sector provided a strong 6.4 percent growth during 1984. Manufacturing layoffs have been evident in the state's electronics and textile/apparel industries.

New Mexico construction employment fell a slight 1.3 percent in August. But this masks a strong 12.7 percent increase in Albuquerque and a sharp 11.0 percent drop in areas outside of Albuquerque. Indicators of residential and nonresidential construction activity dropped sharply in August; nonbuilding construction contracts, however, rose 79.8 percent.

Economic activity in the state's retail trade and services sectors continues to expand, but at a slower pace than last year. New Mexico retail trade employment increased 4.4 percent in August, but most of this was again concentrated in the Albuquerque area. Growth in eating and drinking establishments was particularly strong. Services employment increased 4.1 percent, reflecting continued growth in business and health services and nonprofit membership organizations.

New Mexico's large government sector has exhibited very little growth. Federal employment increased 1.0 percent in August, but is no higher than it was back in 1981. State employment increased 1.4 percent in August, while city and county government employment fell 1.3 percent. Prospects for state and local government hiring will depend upon the State Legislature's resolution of the projected gap between state revenues and state expenditures both in the current fiscal year and next.

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Director

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ECONOMIC INDICATORS

	QUARTERLY AVERAGES AND TOTALS*			
	1984		1985	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
1. GENERAL				
CIVILIAN LABOR FORCE** (000)	636.5	690.6	634.0	643.0
SEASONALLY ADJUSTED	629.5	638.3	645.2	641.3
TOTAL EMPLOYMENT** (000)	591.0	594.6	583.8	588.3
SEASONALLY ADJUSTED	583.6	591.3	596.5	586.8
UNEMPLOYMENT** (000)	45.5	45.9	50.2	54.6
SEASONALLY ADJUSTED	45.9	47.0	48.7	54.5
UNEMPLOYMENT RATE (%)	7.1	7.8	7.9	8.5
SEASONALLY ADJUSTED	7.3	7.4	7.6	8.5
WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS (T)	4168.0	4540.0	4934.0	4046.0
SEASONALLY ADJUSTED	4407.2	4577.5	4555.9	4189.0
NONAGRICULTURAL WAGE/SALARY EMPLOYMENT*** (000)	507.7	513.8	507.3	516.6
SEASONALLY ADJUSTED	506.8	511.8	513.8	515.3
NEW BUSINESS INCORPORATIONS (T)	781.0	707.0	742.0	N
BUSINESS FAILURE LIABILITIES ($000) (T)	N	N	N	N
2. AGRICULTURAL RECEIPTS				
LIVESTOCK AND PRODUCTS ($MIL.) (T)	131.9	218.5	N	N
SEASONALLY ADJUSTED	171.3	156.7	N	N
CROPS ($MIL.) (T)	56.1	123.0	N	N
SEASONALLY ADJUSTED	96.1	73.5	N	N
3. MINING PRODUCTION				
PETROLEUM (000 BBLS.) (T)	19868.9	19678.2	19512.1	19557.2
NATURAL GAS (BIL. CU. FT.) (T)	226.7	266.9	254.0	206.9
SEASONALLY ADJUSTED	238.0	256.1	237.6	219.0
COPPER ORE (000 TONS) (T)	N	N	N	N
COAL PRODUCTION (000 SHORT TONS) (T)	6261.0	8751.0	6646.0	4425.0
4. CONSTRUCTION				
RESIDENTIAL BUILDING PERMITS ($MIL.) (T)	178.5	132.6	125.8	171.9
SEASONALLY ADJUSTED	N	N	N	N
RESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.) (T)	187.2	168.3	210.3	199.4
SEASONALLY ADJUSTED	176.4	169.6	251.7	184.6
NONRESIDENTIAL CONSTRUCTION CONTRACTS ($MIL.) (T)	243.5	198.4	113.8	136.4
NONBUILDING CONSTRUCTION CONTRACTS ($MIL.) (T)	116.6	108.3	73.7	83.9
5. MANUFACTURING				
EMPLOYMENT*** (000)	37.3	37.5	36.5	36.8
SEASONALLY ADJUSTED	37.0	37.1	37.2	36.9
AVERAGE WEEKLY HOURS	40.1	40.4	39.0	40.4
SEASONALLY ADJUSTED	40.5	40.3	39.1	40.0

ECONOMIC INDICATORS (continued)

1985			PERCENTAGE CHANGE						
JUNE	JULY	AUG.	III 1983- III 1984	IV 1983- IV 1984	I 1984- I 1985	II 1984- II 1985	JUNE 1984- JUNE 1985	JULY 1984- JULY 1985	AUG. 1984- AUG. 1985
646.0	645.8	645.1	3.0	4.1	3.8	2.3	1.2	2.1	1.6
637.7	635.8	641.5	3.0	4.1	3.8	2.3	1.2	2.1	1.7
587.0	584.7	586.9	6.2	5.8	4.3	1.0	-0.8	-0.3	-0.4
581.2	576.6	582.2	6.2	5.9	4.3	1.0	-0.8	-0.3	-0.8
59.0	61.1	58.2	-25.7	-16.3	-1.6	19.5	27.6	17.5	38.8
56.5	59.2	59.3	-25.7	-16.2	-1.6	19.6	27.8	17.5	38.6
9.1	9.5	9.0	-28.0	-17.9	-5.1	16.9	26.7	10.1	26.8
8.9	9.3	9.2	-27.9	-17.5	-5.0	16.6	26.2	20.9	26.6
1261.0	1282.0	1249.0	-14.2	-11.6	-1.1	-8.2	-27.6	-12.6	-1.5
1221.9	1256.9	1360.6	-13.9	-11.9	-0.2	-7.5	-27.1	-12.3	-1.6
518.1	512.9	516.5	6.6	5.0	3.8	2.8	2.1	2.2	1.6
515.0	511.4	513.0	6.6	5.3	3.3	2.8	2.1	2.2	1.0
N	N	N	39.8	18.4	11.1	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	4.0	-9.3	N	N	N	N	N
N	N	N	10.5	-7.3	N	N	N	N	N
N	N	N	16.6	-15.6	N	N	N	N	N
N	N	N	16.7	-5.8	N	N	N	N	N
6165.9	6529.8	N	4.1	4.1	1.0	0.6	-0.9	-1.6	N
65.1	68.1	N	7.0	12.0	6.3	-1.8	-6.4	-3.0	N
70.8	73.0	N	7.3	17.6	5.8	-1.8	-4.1	-9.6	N
N	N	N	N	N	N	N	N	N	N
1335.0	895.0	1488.0	29.0	17.5	26.8	-36.0	-45.8	-22.0	-43.3
53.1	50.7	85.5	40.4	22.2	-21.0	-17.0	-15.1	-11.9	-11.3
N	N	N	N	N	N	N	N	N	N
64.7	77.3	54.6	16.5	5.1	35.3	-16.2	-30.1	61.0	-21.7
51.3	99.0	85.9	19.1	2.4	35.5	-11.4	-11.0	51.3	-21.6
43.6	72.0	50.0	27.1	50.1	4.8	-13.8	5.0	-34.6	-55.0
25.6	26.7	62.2	20.8	-21.0	2.3	8.5	2.9	-20.5	79.8
37.0	36.9	37.5	7.1	6.4	4.3	0.6	0.3	0.8	0.0
36.9	37.1	37.1	7.1	6.5	4.3	0.6	0.3	0.8	0.0
40.6	38.6	40.2	3.2	2.2	-0.2	0.9	-0.7	-4.0	-0.2
40.2	38.4	40.7	3.2	2.3	-0.3	0.8	-0.8	-4.0	-0.2

ECONOMIC INDICATORS (continued)

	QUARTERLY AVERAGES AND TOTALS*			
	1984		1985	
	THIRD QUARTER	FOURTH QUARTER	FIRST QUARTER	SECOND QUARTER
6. TRANSPORT./COMMUNIC./UTIL.				
EMPLOYMENT*** (000)	29.5	30.4	30.1	29.9
7. TRADE				
WHOLESALE EMPLOYMENT*** (000)	21.5	22.5	22.1	22.2
RETAIL EMPLOYMENT*** (000)	97.9	99.2	95.9	99.0
SEASONALLY ADJUSTED	96.3	98.0	98.7	99.1
AVERAGE WEEKLY HOURS	35.6	35.1	35.3	35.9
8. FINANCE				
NEW BANK LOANS ($MIL.) (T)	N	N	N	N
SEASONALLY ADJUSTED	N	N	N	N
BANK DEMAND DEPOSITS ($MIL.)	N	N	N	N
BANK TIME DEPOSITS ($MIL.)	N	N	N	N
TOTAL SAVINGS DEPOSITS AT S&L'S ($MIL.)	3352.5	3508.4	3613.0	3796.8
NEW SAVINGS RECEIVED AT S&L'S ($MIL.) (T)	1836.9	1564.0	2216.8	2690.5
9. SERVICES AND TOURISM				
SERVICE EMPLOYMENT*** (000)	110.3	109.3	109.0	112.1
SEASONALLY ADJUSTED	107.6	110.8	111.0	111.6
LODGING EMPLOYMENT*** (000)	11.5	10.7	10.1	10.9
SEASONALLY ADJUSTED	10.7	11.0	10.7	10.8
VISITS TO NATIONAL PARKS/MONUMENTS (000) (T)	665.7	257.7	232.9	573.9
SEASONALLY ADJUSTED	426.6	449.0	419.6	437.9
10. GOVERNMENT				
FEDERAL EMPLOYMENT*** (000)	30.0	29.8	29.1	30.1
STATE EMPLOYMENT*** (000)	42.7	46.5	46.9	45.6
CITY AND COUNTY EMPLOYMENT*** (000)	53.0	56.8	57.1	57.1

NOTE: SEASONALLY ADJUSTED FIGURES ARE ECONOMIC TIME SERIES WHICH HAVE HAD SEASONAL VARIATIONS REMOVED WITH STATISTICAL PROCESSES. THESE PURELY SEASONAL VARIATIONS INCLUDE THE EFFECTS OF: THE OPENING AND CLOSING OF SCHOOL, THE ANNUAL PATTERN OF SEASONS (ESPECIALLY APPLICABLE TO AGRICULTURAL DATA), HOLIDAYS, AND OTHER ANNUAL RECURRING EVENTS WHICH INFLUENCE ECONOMIC ACTIVITY. BY REMOVING THESE SEASONAL VARIATIONS FROM RAW ECONOMIC DATA, MONTH-TO-MONTH ANALYSIS OF TRENDS AND UNUSUAL FLUCTUATIONS IN ECONOMIC ACTIVITY IS FACILITATED.

* THE DATA SERIES HAVING QUARTERLY TOTALS, RATHER THAN AVERAGES, ARE FOLLOWED BY A "T" IN PARENTHESES. EXAMPLE: WEEKLY NEW UNEMPLOYMENT INSURANCE CLAIMS (T). IF A SERIES IS REPRESENTED BY QUARTERLY TOTALS, THE SEASONALLY ADJUSTED FIGURES THAT ACCOMPANY THE SERIES ARE ALSO TOTALS. ALL OTHER SERIES ARE QUARTERLY AVERAGES.

** NUMBER OF PERSONS BY PLACE OF RESIDENCE.

*** NUMBER OF JOBS BY PLACE OF WORK.

N NOT AVAILABLE.

ECONOMIC INDICATORS (continued)

1985			PERCENTAGE CHANGE						
JUNE	JULY	AUG.	III III 1983-1984	IV IV 1983-1984	I I 1984-1985	II II 1984-1985	JUNE JUNE 1984-1985	JULY JULY 1984-1985	AUG. AUG. 1984-1985
29.1	29.1	29.0	1.2	2.2	1.0	-0.3	-2.0	-0.3	-1.0
22.4	22.4	22.3	4.0	2.3	1.1	-0.9	-1.1	-0.4	-0.9
100.9	100.9	103.0	7.2	7.6	6.2	4.6	4.0	1.9	4.4
99.5	99.6	100.6	7.2	7.7	6.2	4.6	4.0	3.8	4.4
36.4	36.2	36.4	-0.2	-1.2	1.5	0.4	1.9	0.8	2.3
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
N	N	N	N	N	N	N	N	N	N
3848.6	N	N	19.7	21.6	19.8	18.8	18.0	N	N
844.7	N	N	58.4	54.6	83.3	67.4	40.3	N	N
114.4	115.1	114.3	7.5	7.9	6.5	5.3	5.2	4.3	4.1
111.6	111.0	111.0	7.6	7.9	6.4	5.3	5.3	4.4	4.1
11.4	11.8	11.8	3.3	4.9	1.3	0.9	1.8	1.7	1.1
10.9	10.9	10.7	3.4	5.0	1.4	0.9	1.0	1.8	1.7
236.5	291.9	261.3	-6.5	4.5	-8.7	-5.1	-5.3	-1.1	15.2
139.3	150.4	155.0	-6.4	7.4	-9.5	-4.8	-7.8	1.4	14.8
30.6	30.7	30.3	1.3	2.6	0.0	0.9	0.7	0.3	1.0
43.0	42.1	42.8	1.7	3.0	3.1	4.5	2.4	6.3	1.4
55.9	51.5	51.3	0.0	3.0	2.2	1.7	0.7	0.2	-1.3

SOURCES: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT: SECTIONS 1, 5, 6, 7, 9, 10; DUN AND BRADSTREET, INC: SECTION 1; USDA STATISTICAL REPORTING SERVICE: SECTION 2; OIL CONSERVATION COMMISSION: SECTION 3; NEW MEXICO TAXATION AND REVENUE DEPT.: SECTION 3; U. S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS: SECTION 4; F. W. DODGE CO. (A DIVISION OF MCGRAW-HILL, INC.): SECTION 4; FEDERAL POWER COMMISSION: SECTION 6; BANK REPORT (33): SECTION 8; FEDERAL HOME LOAN BANK OF LITTLE ROCK: SECTION 8; U. S. DEPARTMENT OF THE INTERIOR, NATIONAL PARK SERVICE: SECTION 9.

CONSUMER PRICE INDEXES AND INDEXES OF SELECTED CATEGORIES
U.S.CITY AVERAGE
(1967=100)

	ALL URBAN CONSUMERS				REVISED SERIES, WAGE EARNERS AND CLERICAL WORKERS			
			% CHANGE				% CHANGE	
	AUG. 1985	JULY 1985	AUG. 84- AUG. 85	JULY 85- AUG. 85	AUG. 1985	JULY 1985	AUG. 84- AUG. 85	JULY 85- AUG. 85
ALL ITEMS	323.5	322.8	3.4	0.2	319.6	319.1	3.0	0.2
FOOD	309.7	309.5	1.6	0.1	309.1	309.0	1.5	0.0
HOUSING	352.9	351.6	3.9	0.4	346.2	345.0	3.6	0.3
APPAREL & UPKEEP	205.3	202.8	2.6	1.2	204.3	201.8	2.7	1.2
TRANSPORTATION	320.7	321.8	2.5	-0.3	322.3	323.5	2.1	-0.4
MEDICAL CARE	406.6	404.0	6.5	0.6	409.5	407.0	6.4	0.6
ENTERTAINMENT	265.7	265.7	3.6	0.0	260.8	260.9	3.1	0.0
OTHER GOODS & SERVICES	326.0	325.0	6.1	0.3	322.9	321.8	5.8	0.3

SOURCE: U.S. DEPARTMENT OF LABOR, NEWS.

HOURS AND EARNINGS OF PRODUCTION, CONSTRUCTION, AND NONSUPERVISORY EMPLOYEES
NEW MEXICO
(MONTHLY AVERAGES)

	AVERAGE WEEKLY HOURS			% CHANGE	AVERAGE HOURLY EARNINGS			% CHANGE
	AUG. 1985P	JULY 1985R	AUG. 1984R	AUG. 84- AUG. 85P	AUG. 1985P	JULY 1985R	AUG. 1984R	AUG. 84- AUG. 85P
MINING	42.9	41.5	40.6	5.7	$11.54	$11.96	$11.80	-2.2
CONSTRUCTION	38.5	36.0	36.9	4.5	10.66	10.86	10.50	1.6
MANUFACTURING	40.2	38.6	40.3	-0.2	8.09	8.47	8.06	0.4
DURABLE GOODS	39.8	38.2	40.6	-1.9	8.30	8.77	8.19	1.4
NONDURABLE GOODS	40.9	39.5	39.7	1.1	7.75	7.80	7.93	-2.2
COMMUNICATION & UTILITIES	41.0	42.8	42.2	-2.8	10.31	11.01	10.52	-1.9
TRADE*	36.4	36.2	35.6	2.3	7.52	7.68	7.40	1.7
BANKING	37.6	38.9	36.8	2.2	5.51	5.50	5.37	2.7

P PRELIMINARY.
R REVISED.
* EXCLUDES EATING AND DRINKING PLACES.
SOURCE: NEW MEXICO EMPLOYMENT SECURITY DEPARTMENT.

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT

	NEW MEXICO			ALBUQUERQUE AREA*			LAS CRUCES AREA**		
	AUG. 1985P	JULY 1985R	AUG. 1984R	AUG. 1985P	JULY 1985R	AUG. 1984R	AUG. 1985P	JULY 1985R	AUG. 1984R
TOTAL CIVILIAN LABOR FORCE	645,300	645,800	634,800	243,900	243,900	237,600	43,000	42,400	42,000
EMPLOYMENT***	586,000	584,700	589,600	227,100	226,200	223,200	38,600	37,800	38,500
UNEMPLOYMENT	58,200	61,100	45,200	16,800	17,700	14,400	4,400	4,600	3,500
UNEMPLOYMENT RATE (%)	9.0	9.5	7.1	6.9	7.3	6.1	10.2	10.9	8.4
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	514,500	512,900	506,600	216,700	216,800	210,500	38,600	38,400	37,900
MINING	19,000	20,000	21,200	200	200	300	N	N	N
CONTRACT CONSTRUCTION	38,100	38,200	38,600	17,800	17,700	15,800	2,800	2,800	2,800
MANUFACTURING	37,500	36,900	37,500	19,400	19,200	19,600	3,500	3,400	3,700
DURABLE GOODS	24,400	24,500	23,900	13,500	13,600	13,800	1,400	1,500	1,500
NONDURABLE GOODS	13,100	12,400	13,600	5,900	5,600	5,800	2,100	1,900	2,200
TRANSPORTATION-PUBLIC UTILITIES	29,000	29,100	29,300	11,800	11,800	12,100	1,800	1,300	1,400
TRADE	124,300	121,300	121,200	57,300	56,400	54,000	7,200	7,700	7,300
WHOLESALE	22,300	22,800	22,500	13,700	13,700	13,700	900	900	900
RETAIL	101,000	100,900	98,700	43,600	42,700	40,300	6,300	6,800	6,400
FINANCE, INSURANCE, & REAL ESTATE	26,000	26,000	26,800	13,600	13,400	12,800	1,500	1,600	1,400
SERVICES & MISCELLANEOUS	114,300	115,100	109,800	55,800	56,000	53,700	9,000	9,100	8,800
GOVERNMENT	124,400	124,300	124,200	40,800	41,200	42,200	12,700	12,500	12,600
FEDERAL	30,300	30,700	30,000	12,900	12,900	12,200	4,700	4,700	4,500
STATE	42,800	42,100	42,200	10,600	10,200	11,800	4,600	4,500	4,600
LOCAL	51,300	51,500	52,000	17,300	18,100	18,200	3,400	3,300	3,500

N NOT AVAILABLE, LESS THAN 50 JOBS.
P PRELIMINARY.
R REVISED.
* INCLUDES BERNALILLO COUNTY.
** DONA ANA COUNTY.
*** INCLUDES LABOR DISPUTES.

ALBUQUERQUE* BANKING DATA
($000S)

	QUARTER II 1985	QUARTER II 1984	% CHANGE II 1984- II 1985
BANKS			
TOTAL ASSETS	$ 3,548	$ 3,232	9.8
LOANS, NET	1,980	1,712	15.7
TOTAL DEPOSITS	2,913	2,614	11.5
SAVINGS & LOAN			
SAVINGS DEPOSITS	$ 2,216	$ 1,689	31.3
NEW SAVINGS RECEIVED	2,136	1,096	94.0

P PRELIMINARY
* BERNALILLO COUNTY FOR BANK INFORMATION, ALBUQUERQUE SMSA FOR SAVINGS AND LOAN DATA.
** IN DOMESTIC OFFICES.
SOURCE: QUARTERLY STATEMENT OF CONDITION FOR BANKS, FEDERAL HOME LOAN BANK OF LITTLE ROCK.

NUMBER OF BUILDING PERMITS AND UNITS

	RESIDENTIAL (UNITS)				NONRESIDENTIAL (PERMITS)			
			CUMULATIVE TOTAL THROUGH AUG.				CUMULATIVE TOTAL THROUGH AUG.	
	AUG. 1985	AUG. 1984	1985	1984	AUG. 1985	AUG. 1984	1985	1984
ALAMOGORDO	23	11	154	322	12	11	93	99
ALBUQUERQUE	187	445	3,773	5,667	18	67	269	295
ARTESIA	4	2	17	26	4	12	31	69
CARLSBAD	16	8	51	96	10	22	191	156
CLOVIS	7	12	95	84	6	8	51	58
DEMING	3	2	19	39	6	3	28	14
ESPANOLA	4	4	26	13	6	4	27	16
FARMINGTON	13	13	96	132	3	0	23	11
GALLUP	5	11	26	46	9	6	34	36
HOBBS	3	3	32	40	5	4	8	18
LAS CRUCES	13	72	460	846	18	28	171	225
LOS ALAMOS	3	71	78	151	10	10	41	65
PORTALES	6	10	18	14	3	2	19	16
RATON	4	0	14	7	3	7	19	20
ROSWELL	9	29	82	141	21	12	150	138
RUIDOSO	7	31	106	301	6	27	60	83
SANTA FE	100	109	474	918	23	15	116	117
SOCORRO	1	0	12	8	2	5	11	18
REM. OF STATE	372	843	2,864	3,286	247	159	1,096	1,137
TOTAL	800	1676	8,397	12117	429	402	2,435	2,571

SOURCE: U.S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS.

VALUE OF BUILDING PERMITS--SELECTED CITIES

	RESIDENTIAL				NONRESIDENTIAL			
			CUMULATIVE TOTAL THROUGH AUGUST				CUMULATIVE TOTAL THROUGH AUGUST	
	AUGUST 1985	AUGUST 1984	1985	1984	AUGUST 1985	AUGUST 1984	1985	1984
ALAMOGORDO	$ 953,581	$ 458,514	$ 6,649,471	$ 9,644,144	$ 131,336	$ 77,406	$ 1,808,394	$ 4,466,975
ALBUQUERQUE	11,915,125	16,020,074	152,435,958	202,298,210	5,296,943	15,276,342	90,213,255	76,418,451
ARTESIA	134,000	120,000	640,800	1,252,120	33,900	19,650	1,683,157	2,215,350
CARLSBAD	625,286	620,827	2,503,600	4,519,891	101,161	270,931	2,692,924	1,732,189
CLOVIS	446,708	271,737	5,528,417	3,232,392	99,889	148,250	4,748,850	2,632,307
DEMING	108,341	75,762	602,057	1,080,027	69,540	9,102	125,564	38,928
ESPANOLA	206,000	136,000	1,046,669	401,822	313,086	166,000	835,702	782,754
FARMINGTON	510,940	557,930	3,534,919	5,103,740	204,270	0	1,329,798	902,727
GALLUP	260,060	443,489	1,138,788	2,108,809	738,295	676,490	2,379,945	3,452,132
HOBBS	331,000	286,300	2,146,100	3,485,025	963,934	193,000	1,676,934	2,821,690
LAS CRUCES	1,963,300	2,675,900	19,893,355	33,834,576	5,764,759	978,489	14,451,056	9,477,991
LOS ALAMOS	451,000	2,019,096	7,061,903	7,002,884	82,213	21,350	255,372	335,574
PORTALES	183,850	212,726	889,836	378,227	17,022	5,245	145,640	119,583
RATON	302,917	0	1,097,295	304,497	26,025	1,386,845	358,500	1,827,702
ROSWELL	258,000	1,371,300	4,184,521	6,769,150	204,741	541,975	1,088,764	6,284,243
RUIDOSO	569,672	3,069,044	8,122,208	22,048,516	160,792	4,137,775	5,930,655	8,826,665
SANTA FE	4,392,537	5,741,410	22,320,899	39,310,106	1,868,144	6,211,700	14,075,509	39,367,738
SOCORRO	15,000	0	877,000	216,000	99,500	305,800	154,900	1,127,700
REM. OF STATE	22,092,097	34,069,297	149,981,949	161,179,796	15,139,299	13,137,541	129,677,290	100,737,781
TOTAL	45,461,300	68,193,406	390,655,360	504,169,952	31,315,039	43,565,891	273,635,299	263,548,480

SOURCE: U.S. DEPARTMENT OF COMMERCE, BUREAU OF THE CENSUS.

Editor's Note:

In the interest of providing more information and better serving our subscribers, we are changing the format of *New Mexico Business*, beginning with the next issue. We will continue to publish the narrative summary of current economic developments. However, in the "Economic Indicators" section we are increasing the total number of economic variables that are presented, while eliminating some of the columns of percent changes and seasonally adjusted figures. Additionally, we will be printing more national economic indicators, county data and a page of graphics, showing a variety of economic trends. Finally, each issue will contain a feature, ranging from information about census data to per capita income figures for counties. We hope that these changes will provide an even more detailed picture of current economic conditions.

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SRI ACQUISITIONS
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Subscription Price $15.00 per year.
Single Copies $1.85

11/7/85 17980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 6 No. 10
November 1985

New Mexico General Fund: Review and Outlook

One of the most pressing issues facing the New Mexico economy today is the resolution of the state's fiscal crisis. The state general fund receives revenues primarily from gross receipts and selective sales taxes, income taxes, designated severance taxes, rents and royalties and interest earnings. Total recurring revenues to the general fund in FY84–85 were $1.3 billion, with almost 70.0 percent of this going to finance public and higher education in New Mexico.

During the mid-70s and early 80s New Mexico general fund revenues and expenditures grew quite rapidly, reflecting the surge in revenues associated with energy taxes, a strong state economy and rising inflation. In the six years between FY74–75 and FY80–81 recurring general fund revenues increased at an average annual rate of 17.1 percent. During the same time recurring general fund expenditures increased at an average annual rate of 15.4 percent. With revenue growth outstripping expenditure growth, the state was accumulating sizeable cash balances.

Rather than accumulating additional cash balances or increasing the level of state expenditures, the State Legislature passed the so-called "Big Mac" tax bill in 1981. Tax cuts were approved in the state's gross receipts tax, property tax, and individual income tax. The total reduction in tax collections in the first fiscal year after implementation (FY81–82) was estimated at $194.8 million; by the third year (FY83–84) the revenue loss was estimated at $262.5 million.

In hindsight, the 1981 state tax cuts could not have come at a more inopportune moment. The U.S. economy was entering its worst downturn since the Depression of the 1930s; New Mexico's economy was weakening as total state nonagricultural employment fell in 1982 for the first time in 21 years; oil prices began to fall from their peak levels of $35/barrel; and inflation, which had been growing at double-digit rates, moderated to the 4–5 percent range.

In FY82–83 recurring general fund revenues actually fell 7.2 percent, while recurring expenditures increased 10.05 percent. Beginning in FY82–83 recurring general fund expenditures exceeded recurring general fund revenues, marking the beginning of New Mexico's fiscal crisis—a situation which has continued ever since. The gap between recurring expenditures and revenues was filled temporarily by non-recurring revenues and cash balances. In particular, in FY82–83 the state received a windfall $259.8 million settlement of a tax dispute with the U.S. Department of Energy.

Based upon current estimates an $81.7 million gap between expenditures and revenues exists again for FY85–86. The state general fund entered FY85–86 with cash reserves of $112.3 million. The estimate of cash reserves by the end of FY85–86 is a dangerously low $36.7 million. Clearly, New Mexico's ability to solve its fiscal crisis by spending down its cash balances has come to an end.

An examination of the changing revenue base of the New Mexico general fund over the last fifteen years provides a revealing perspective. Back in FY71–72 the general fund received almost 75.0 percent of its revenue from broad-based taxes—gross receipts taxes, selective excise taxes, and corporate and individual income taxes. By FY81–82 (just after the "Big Mac" tax cut) broad-based taxes provided only 42.0 percent of general fund revenue.

The erosion of the broad-based tax base came as energy-based taxes and interest earnings grew markedly in importance. In FY71–72 energy-based taxes provided only 9.7 percent of general fund revenue; by FY81–82 this revenue source had grown to provide 34.4 percent of general fund revenue. Interest earnings accounted for only 6.1 percent of general fund revenue back in FY71–72, but in FY81–82 accounted for 21.2 percent. Energy-based taxes and interest earnings combined represented 55.6 percent of general fund revenue in FY81–82.

Energy prices and production, as well as interest rates, have recently become volatile and difficult to predict, making almost 50.0 percent of the general fund revenue base an unstable and unpredictable revenue source. New Mexico's general fund, which finances public and higher education, has become too dependent upon unreliable revenue sources.

The broad-based taxes respond to the growth in the state's economy, and the rate of inflation. The prospects for the state's economy to the year 1990 do not look promising, since there will be the negative effects of falling oil and natural gas prices as well as a generally weak national economy. In particular, 1986 should be a difficult year with oil prices expected to fall to $24/barrel and the national economy skirting very close to recession. Inflation will remain quite mild with the consumer price index not expected to exceed 5.0 percent per year through 1990.

According to Data Resources, Inc., by 1990 oil prices are expected to be only $25.16/barrel after having fallen as low as $23/barrel, and natural gas prices will still be 10.0 percent below current levels. New Mexico's production of oil has been in secular decline since the early 1970s due to declining petroleum reserves. New Mexico natural gas production has been flat since the early 1970s, although recent adverse market conditions have resulted in a 17 percent decline since 1982. Thus, the prospects

(continued on page 8)

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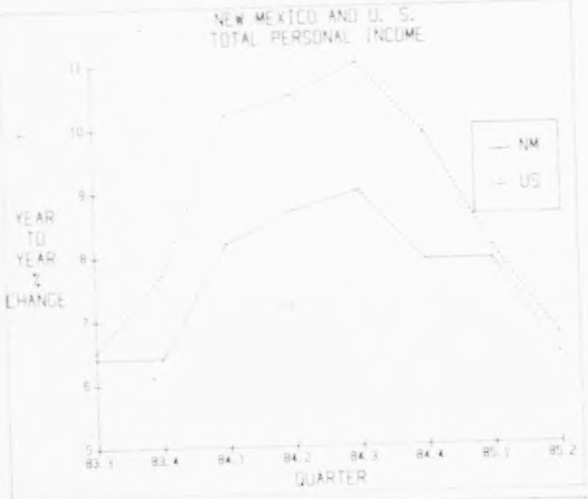
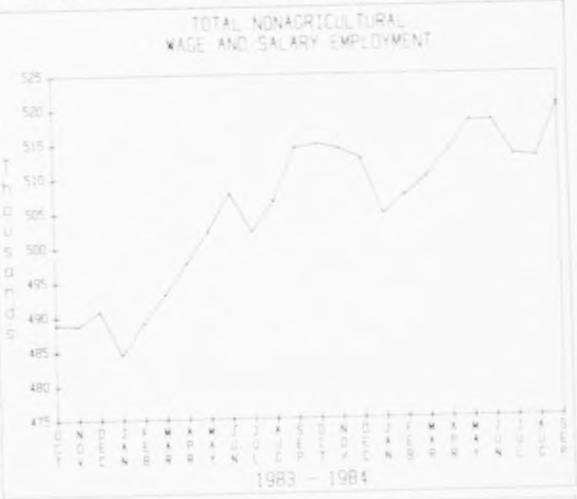
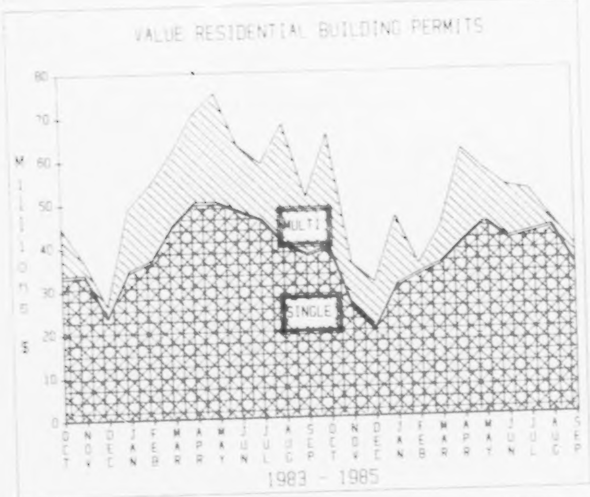
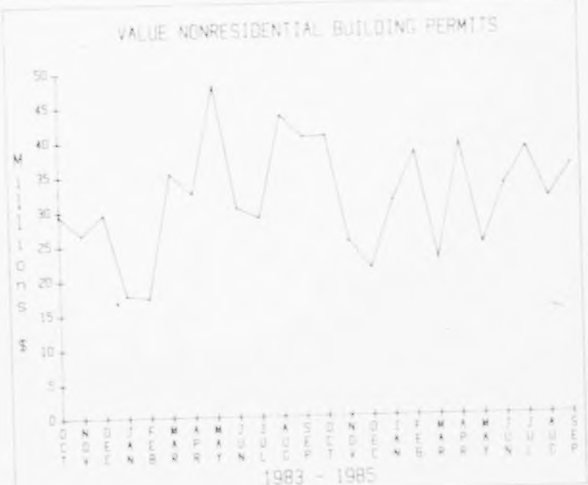
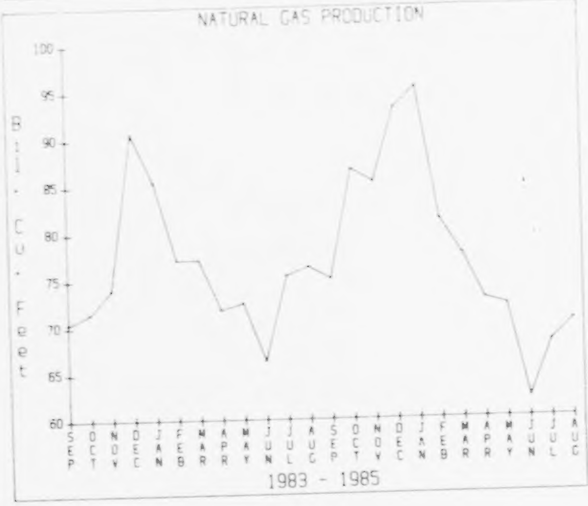
ECONOMIC TRENDS IN NEW MEXICO

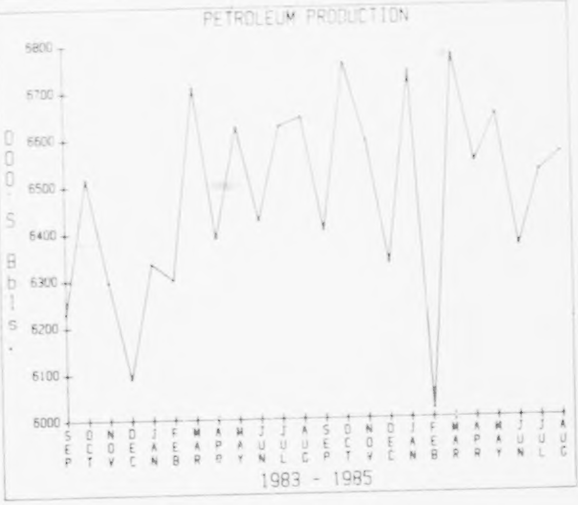

NEW MEXICO AND U. S.
TOTAL PERSONAL INCOME


TOTAL NONAGRICULTURAL
WAGE AND SALARY EMPLOYMENT


VALUE RESIDENTIAL BUILDING PERMITS


VALUE NONRESIDENTIAL BUILDING PERMITS


NATURAL GAS PRODUCTION


PETROLEUM PRODUCTION

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Sept.	324.5	[illegible]	323.5
Food and beverages	Sept.	307.1	1.5	307.8
Housing	Sept.	353.8	4.6	352.9
Apparel and upkeep	Sept.	209.6	2.6	206.3
Transportation	Sept.	319.7	1.9	320.1
Medical care	Sept.	408.1	6.6	405.6
Entertainment	Sept.	266.8	4.[illegible]	265.[illegible]
Other goods and services	Sept.	331.4	6.9	326.0
Revised series, wage earners and clerical workers (1967=100)				
All items	Sept.	320.5	3.1	319.6
Gross national product* ($Bil., constant)	3rd Qtr	1689.8	[illegible]	1671.5
Prime interest rate** (% per annum)	Sept.	9.5	-25.4	9.5
Mortgage interest rate*** (% per annum)	Aug.	11.2	-8.5	11.1
3 month treasury bill# (% per annum)	Sept.	7.1	-31.4	[illegible]
Industrial production## (1967=100)	Aug.	124.8	1.1	124.6
Manufacturers new orders## ($Bil.)	July	199.8	[illegible]	198.3

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT QTR/MO	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Sept	593.8	+0.5	589.1	107,861	2.0	108,628
Unemployment rate (%)	Sept.	8.7	29.1	7.0	6.9	-7.8	6.9
Nonagricultural employment (000)	Sept.	520.8	1.2	510.6	98,675	1.5	97,035
Personal income### ($Mil.)	Second	15,427	6.5	15,262	3,190,083	6.8	3,159,817
Housing units permitted							
Single	Sept.	561	+11.8	735	81,583	16.5	89,808
Multi	Sept.	297	-60.[illegible]	85	85,111	45.1	69,016

Note: Selected data items subject to revision.
N Not available.
* 1972 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Sept.	650.7	1.4	643.2	3.0
Total employment* (000)	Sept.	593.8	-0.5	585.1	2.6
Unemployment* (000)	Sept.	56.9	26.2	58.1	7.1
Unemployment rate (%)	Sept.	8.7	24.3	9.0	3.8
Weekly new unemployment insurance claims	Sept.	1189.0	-12.1	1249.0	-8.3
Nonagricultural wage/salary employment**(000)	Sept.	520.6	5.2	515.6	3.3
New business incorporations	May	266.0	7.7	236.0	N
Personal income### ($ mil.)	Second	15427.0	6.5	15262.0	7.3
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Dec.	41.8	-19.9	106.6	N
Crops ($ mil.)	Dec.	35.2	33.9	51.2	N
Total ($ mil.)	Dec.	77.3	-3.7	157.8	N
3. MINING					
Employment** (000)	Sept.	19.7	-7.0	19.8	-3.8
Average hourly earnings	Sept.	11.6	-1.6	11.9	3.9
Petroleum production (000 bbls.)	August	6563.1	-1.9	6529.8	1.5
Natural gas production (bil. cu. ft.)	August	70.3	-7.8	68.1	1.9
Coal production (000 short tons)	Sept.	1480.0	-21.5	1595.0	5.9
New oil wells drilled	Sept.	55.0	-26.5	83.0	1.1
New gas wells drilled	Sept.	55.0	22.3	103.0	22.1
Total footage drilled*** (000)	Sept.	692.7	-15.2	1119.8	7.1
Oil sales ($ mil.)	July	153.2	-13.6	149.1	-5.6
Gas sales ($ mil.)	July	171.3	-11.3	160.3	4.5
4. CONSTRUCTION					
Employment** (000)	Sept.	37.3	-1.0	38.0	2.2
Average hourly earnings	Sept.	11.0	7.9	10.7	0.1
Residential units permitted	Sept.	818.0	-18.3	800.0	-19.7
Residential building permits ($ mil.)	Sept.	39.1	-23.6	45.5	-18.3
Nonresidential building permits ($ mil.)	Sept.	36.1	-10.8	31.3	1.0
Residential construction contracts ($ mil.)	Sept.	52.7	-13.1	68.6	7.1
Nonresidential construction contracts ($mil.)	Sept.	59.5	18.9	49.7	-2.4
Nonbuilding construction contracts ($ mil.)	Sept.	43.8	-28.7	42.2	-6.5
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Sept.	30.0	-0.3	29.1	0.7
Average hourly earnings##	Sept.	11.3	7.7	11.2	5.2
6. MANUFACTURING					
Employment** (000)	Sept.	38.1	0.6	37.6	2.9
Average hourly earnings	Sept.	8.4	6.4	8.3	4.5
Electric & electronic equipment employment** (000)	Sept.	6.3	-3.0	6.3	6.2
Transportation equipment employment** (000)	Sept.	4.0	14.3	4.0	10.7
Food & kindred products employment** (000)	Sept.	5.1	0.0	4.6	2.7
Textile & apparel employment** (000)	Sept.	2.4	-4.0	2.3	-8.1
Lumber & wood products employment** (000)	Sept.	2.6	4.0	2.7	2.4

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Sept.	22.2	-1.3	22.3	0.8
Retail employment** (000)	Sept.	102.9	5.2	103.0	5.7
Average hourly earnings	Sept.	7.4	0.0	7.4	2.8
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Sept.	26.8	4.1	26.8	6.4
Bank average hourly earnings	Sept.	5.6	3.8	5.5	3.5
Bank total assets ($ mil.)	Fourth	8130.2	3.6	8129.8	N
Bank total deposits ($mil.)	Fourth	7541.5	4.1	7606.4	N
Bank gross loans ($ mil.)	Fourth	5119.7	11.8	5141.9	N
S & L total assets ($ mil.)	June	4298.6	13.7	3571.1	17.8
S & L total deposits ($ mil.)	June	3848.6	18.0	3187.3	20.0
S & L total loans closed ($ mil.)	June	180.1	7.9	116.7	16.8
9. SERVICES AND TOURISM					
Total service employment** (000)	Sept.	112.6	3.6	110.4	5.8
Lodging employment** (000)	Sept.	11.4	0.9	11.9	2.2
Eating & drinking places employment** (000)	Sept.	38.2	8.0	38.4	8.1
Visits to state parks (000)	Sept.	479.3	-5.0	801.0	3.6
Visits to national parks/monuments (000)	Sept.	138.1	-3.9	261.3	-0.9
Passenger traffic at Albuquerque airport@ (000)	Sept.	295.1	7.5	306.3	12.3
Lodgers tax receipts ($ 000)		N	N	N	N
Lodging occupancy rates (%)	Sept.	63.2	-12.4	75.7	-3.1
10. GOVERNMENT					
Total government employment** (000)	Sept.	131.9	0.4	132.4	2.0
Federal employment** (000)	Sept.	29.6	0.7	30.3	1.1
State employment** @@ (000)	Sept.	47.0	1.4	41.8	3.2
Local employment** (000)	Sept.	55.3	-0.5	50.3	1.8
Total general fund revenues@@@ ($ mil.)	August	105.3	-0.5	119.9	2.2

N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Oil and gas combined.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Communications and utilities only.
Quarterly data seasonally adjusted at annual rates.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3-MONTH AVERAGE* JUL-SEP	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3-MONTH AVERAGE* APR-JUN
Alamogordo	$ 16,057	1.5	$ 11,178
Albuquerque	220,675	6.8	202,880
Artesia	6,211	8.8	5,605
Carlsbad	13,926	2.6	12,869
Clovis	16,586	-1.2	15,693
Deming	4,761	-1.0	6,209
Espanola	8,095	6.3	5,435
Farmington	28,825	5.7	28,298
Gallup	20,161	1.0	19,632
Hobbs	13,752	-1.3	23,862
Las Cruces	12,612	-2.8	11,601
Las Vegas	6,270	1.5	5,869
Los Alamos	7,591	0.9	6,601
Lovington	5,102	-13.2	6,867
Portales	5,035	11.0	5,799
Roswell	19,093	-9.2	19,031
Ruidoso	7,697	-3.2	5,535
Santa Fe	47,502	8.6	38,362
Silver City	8,380	15.9	6,670
Taos	8,109	6.2	6,065
State total	661,598	6.7	593,361

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
			CUMULATIVE TOTAL THROUGH SEPT.				CUMULATIVE TOTAL THROUGH SEPT.	
	SEPT. 1985	SEPT. 1984	1985	1984	SEPT. 1985	SEPT. 1984	1985	1984
RESIDENTIAL								
Alamogordo	26	31	194	343	$ 1,162	$ 781	$ 8,717	$ 10,626
Albuquerque	259	711	4,032	6,358	11,501	21,722	161,937	224,050
Carlsbad	7	12	58	108	390	601	2,893	5,121
Clovis	7	7	102	91	494	898	6,023	3,730
Farmington	9	6	105	138	267	302	3,792	5,605
Hobbs	1	4	33	44	55	219	2,201	3,704
Las Cruces	64	167	504	1,011	2,120	5,426	22,013	39,311
Los Alamos	6	3	84	154	937	262	7,999	7,265
Rio Rancho**	87	47	1,065	695	6,521	1,076	60,125	36,851
Roswell	7	9	89	150	651	487	4,836	7,256
Ruidoso	5	25	111	326	369	1,428	8,491	23,476
Santa Fe	41	39	435	985	2,216	1,807	21,133	41,283
NONRESIDENTIAL								
Alamogordo	9	8	94	107	303	81	1,994	4,548
Albuquerque	9	41	273	336	14,679	23,149	108,692	99,567
Carlsbad	13	16	206	172	37	22	2,730	1,755
Clovis	6	2	59	60	137	11	4,886	2,693
Farmington	1	0	26	11	412	0	1,762	903
Hobbs	1	2	9	20	73	1,599	1,750	4,421
Las Cruces	12	22	185	247	2,560	617	17,011	10,095
Los Alamos	2	6	43	51	11	18	271	356
Rio Rancho**	1	3	26	21	210	1,098	7,829	7,623
Roswell	21	13	171	151	330	92	1,419	6,376
Ruidoso	3	9	63	92	82	731	6,013	9,558
Santa Fe	7	4	124	120	3,808	1,817	19,610	40,890

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**		
	SEPT.p	% CHANGE YEAR AGO	AUG.r	SEPT.p	% CHANGE YEAR AGO	AUG.r	SEPT.p	% CHANGE YEAR AGO	AUG.r
TOTAL CIVILIAN LABOR FORCE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Employment***	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unemployment	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Unemployment rate (%)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Mining	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	N	N	N
Contract construction	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Manufacturing	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Durable goods	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Nondurable goods	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Transportation & public utilities	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Trade	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Wholesale	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Retail	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Finance, insurance, & real estate	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Services	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Government	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Federal	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
State	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Local	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Includes labor disputes.

Source: New Mexico Employment Security Department.

Countdown to the 1990 Census

Just when you thought that you had heard the last about the 1980 census, planning begins for the 1990 census. Although talk about the next census may seem premature, several important decisions must be made in advance, and the Census Bureau has designed a number of planning activities to solicit local input. The purpose of this article is to summarize some of the 1990 census planning activities. Future articles will provide more detailed information about the activities as well as progress reports.

Most of the 1990 census planning programs will be coordinated through the New Mexico State Data Center (SDC), which is not a single agency, but a consortium of state agencies and universities that are assisted by a network of local affiliates. This federal-state cooperative program was developed by the Census Bureau to improve the dissemination of census data and to assist data users in locating and using the data. Participation in pre-census planning activities is a new role for SDCs. Since planning for the 1980 census began in 1972 and the SDC program in 1978, the role of SDCs in the 1980 census was limited necessarily to the promotion and dissemination of data products. However, the past seven years have provided SDCs with the opportunities to gain experience in working with census data and to establish communications networks, assets which are recognized by the states and the Census Bureau as particularly valuable in planning for the 1990 census.

The following is an overview of 1990 census planning activities, not inclusive—just the highlights.

Local Review Training and Technical Assistance

Introduced prior to the 1980 census, the Local Review Program is intended to improve the coverage of housing units in the decennial census by providing local governments with the opportunity to compare census counts of housing units with their own data on the housing inventory. Local review will consist of both pre- and post-census review in areas where a pre-census address list is available, or post-census review only for areas with no pre-census listing.

The Census Bureau will begin the 1990 Local Review Program in early 1986 with announcements to the highest elected official of each governmental jurisdiction. Training will begin in 1987 with the first of two state-level workshops to train SDC and FSCPE (the cooperative program for population estimates, represented by BBER) staff, who will then conduct sub-state training sessions for local officials. The first workshop will focus on the preparation of housing unit estimates and census geography; the second, on a review of the schedule and operations, i.e., how to submit a challenge, who to contact, etc. From the initial announcement in 1986 through the 1990 census, SDCs/FSCPEs will be available as a source of information and technical assistance to local officials.

Complete-Count Committees

Complete-Count Committees are a part of the promotion campaign for the 1990 census. By involving local officials and community leaders, the committees are designed to garner support for participation in the census through endorsements, appearances on local media, mailings and general distribution of promotional handouts.

Geographic Areas Programs

Participation in these programs is structured differently. Since the purpose of the geographic areas programs is to provide state and local input to the identification and delineation of census statistical areas, the participation of local governments is emphasized. In counties which are in the census tract program, Census Statistical Area Committees (CSACs) have been organized to provide local input to select geographic programs. For those counties which do not have CSACs, the Census Bureau is requesting that the governor designate an agency (usually the SDC) to participate in the program(s). Geographic areas programs include:

1) 1990 Redistricting Data Program

P.L. 94-171 provides for population counts by voting districts for those states participating in the redistricting program. There are two phases in this program. The first, currently underway, is the Block Boundary Suggestion Program, which provides participating states with the opportunity to align block boundaries with voting district boundaries. The second phase, scheduled for 1988 or 1989, involves the delineation of voting district boundaries on the Census Bureau's block-numbered maps.

2) Census Tract Program

CSACs are responsible for the review and delineation of census tracts and block groups (BGs) in the 11 counties which are tracted in New Mexico.

3) Block Number Area Program

The alternative to the Census Tract Program, for those counties which do not have tracts, is the Block Numbering Area (BNA) Program. At the request of the governor, the New Mexico SDC is responsible for assisting with the delineation of BNAs and their component BGs in the counties which are not tracted.

4) Census Designated Place (CDP) Program

CSACs are responsible for defining CDPs within their jurisdictions. Outside the tracted counties, the governor will be asked to designate an agency (probably the NMSDC) to define CDPs. This program is scheduled for later in the decade (probably 1987–1988) after base maps with block numbers are available.

Lynn Wombold, Senior Demographer

NM General Fund . . .

(continued from page 1)

for growth in the energy-based taxes on both a price and production basis are quite remote.

Because of the great uncertainty associated with forecasting interest rates it would be foolish to count on interest earnings as a source of future revenue growth. Interest earnings are the product of interest rates and the corpus of the permanent fund, the severance tax income fund and other state cash balances. Both the permanent fund and the severance tax income fund grow primarily with oil and gas related taxes and royalties. Interest rates have fallen dramatically from their double-digit levels of the early 1980s. If inflation remains mild as expected, then interest rates should drop further.

Future growth in general fund revenues to finance public and higher education may thus depend upon the willingness of the state legislature to approve a tax increase.

Brian McDonald, Director

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2/2/86 47980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 6 No. 11
December 1985

1985 Economic Review and Outlook for the New Mexico Economy in 1986

The pace of economic activity in New Mexico slowed markedly during 1985. After having increased almost 5.0 percent in 1984, New Mexico total nonagricultural employment was increasing at only a 1.7 percent annual rate in the third quarter of 1985. For all of 1985, state nonagricultural employment is projected by the BBER to have increased by 2.5 percent. As a result, the state's unemployment rate began to rise, and in the third quarter of 1985 it stood at 9.1 percent, up substantially from the 7.1 percent unemployment rate a year earlier.

Weaker state employment growth, mild wage increases and falling interest rates (and interest income) have led to a slower expansion of New Mexico personal income. After a 8.44 percent increase in 1984, state personal income is estimated to have increased only 5.9 percent in 1985 to $15.47 billion. This slowing in personal income growth is expected to have a significant restraining effect on the state's income-sensitive retail trade and services sectors during 1986.

During 1985, weaker economic growth was evident in the state's mining, manufacturing and construction (outside of Albuquerque) sectors. New Mexico mining employment is estimated to have declined 4.3 percent in 1985, as the state suffered further layoffs in its uranium, potash, molybdenum, and oil and natural gas industries. The state's copper industry has stabilized for the moment, largely due to the capital modernization programs of Kennecott Copper and Phelps Dodge. However, copper employment is only one-half of what it was in 1981. The only bright spot in the mining sector is coal where several hundred new jobs were added during 1985. New Mexico's mining sector continues to suffer from the adverse effects of a weak national economy, falling commodity and energy prices and the high foreign exchange value of the dollar.

The state's manufacturing sector had been a major source of growth in 1984 when manufacturing employment increased 6.2 percent. By mid-1985 manufacturing employment growth had essentially ceased with layoffs in the state's electronics and textile/apparel industries. Stiff foreign competition brought on by the strong dollar is essentially to blame for this weakness in the state's manufacturing sector. The construction sector outside of Albuquerque collapsed in 1985, suffering a 7.3 percent decline in jobs. The end of major state capital projects for prisons and office buildings as well as the completion of the copper industry's modernization were largely responsible.

During 1985, growth in the New Mexico economy was essentially concentrated in Albuquerque. By mid-year employment in areas outside of Albuquerque had stopped growing, while in Albuquerque nonagricultural wage & salary employment continued to increase at a 4.2 percent pace. However, Albuquerque's economic expansion was largely concentrated in retail trade and construction—two sectors not normally associated with sustainable economic growth. By comparison, the city's manufacturing sector suffered a 1.2 percent employment decline in the third quarter of 1985, and for the year it will show very little growth.

The year 1986 is expected to be a difficult one for the New Mexico economy. Total nonagricultural employment is projected to increase only 1.0 percent in 1986 with the state's unemployment rate averaging a high 9.4 percent. New Mexico personal income growth in 1986, projected at only 4.5 percent, will be the smallest gain in personal income since 1967.

The national economy is expected to be weak in 1986, particularly in the first half of the year. Smaller gains in income, high consumer debt ratios and current low savings rates will constrain future consumer spending. Excess industrial capacity and a glut of office buildings and apartments will discourage business spending for new plant and equipment in 1986. Additionally, congressional actions to trim the federal deficit will mean slower growth in federal government spending in the years ahead.

The New Mexico economy not only will have to deal with the effects of a weak national economy in 1986, but also will suffer further declines in the state's mining sector, particularly in oil and natural gas. Both oil and natural gas prices are expected to fall in 1986—the question is how low. The anticipation of lower energy prices has already led to a decline in New Mexico oil exploration activity and, at somewhat lower oil prices, many stripper wells in New Mexico will not profitably produce oil. Layoffs in New Mexico's potash and molybdenum industries near the end of 1985 will carry over and adversely affect those industries' performance in 1986. New Mexico's economy is also heavily dependent upon defense expenditures and should expect to experience some share of cuts in defense spending necessary to trim the budget deficit.

Since the state economy in areas outside of Albuquerque had already weakened by mid-1985, much of the projected slowdown in the New Mexico economy in 1986 is expected within the Albuquerque economy. In particular, Albuquerque's three-year boom in retail trade development and construction is projected to subside next year. Recent growth in these two sectors has been out of proportion to the overall economic expansion within the city. However, Albuquerque's economy will still outperform the rest of the state with a projected 1.8 percent increase in nonagricultural employment in 1986, compared to a 4.9 percent increase in 1985.

Brian McDonald, Director

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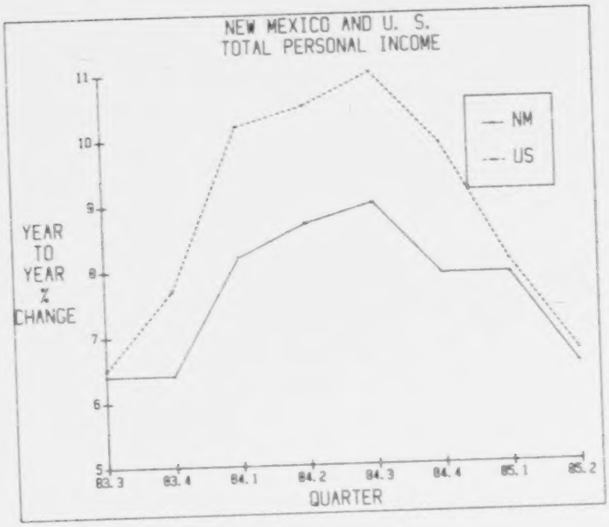
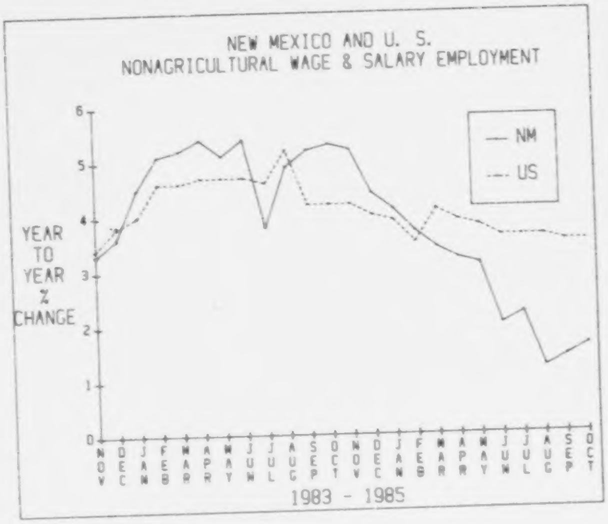
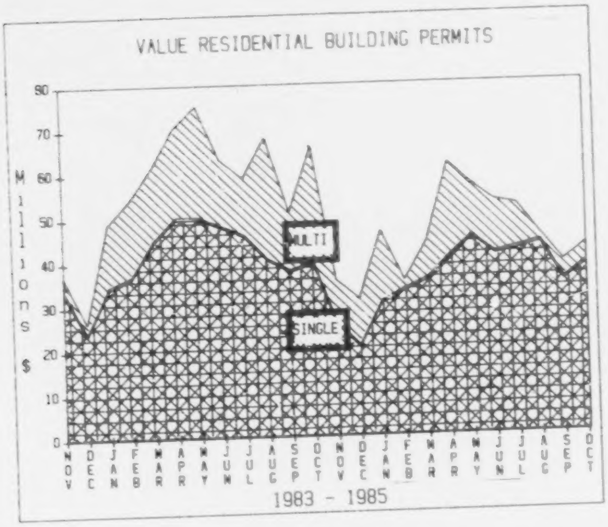
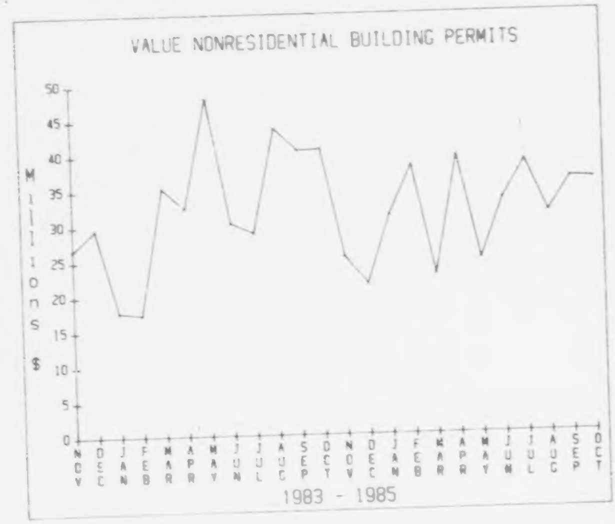
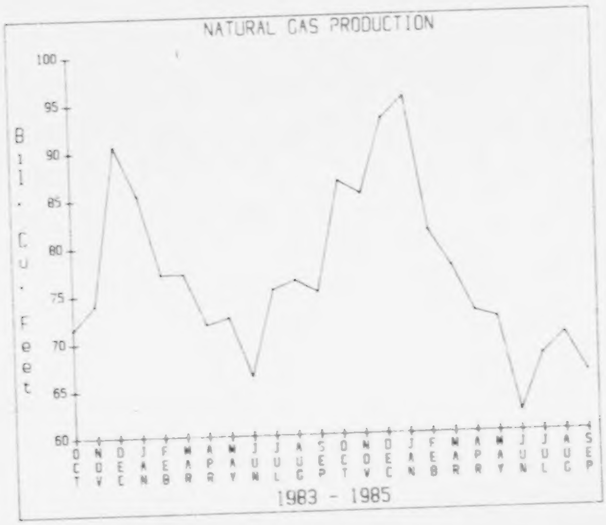
ECONOMIC TRENDS IN NEW MEXICO

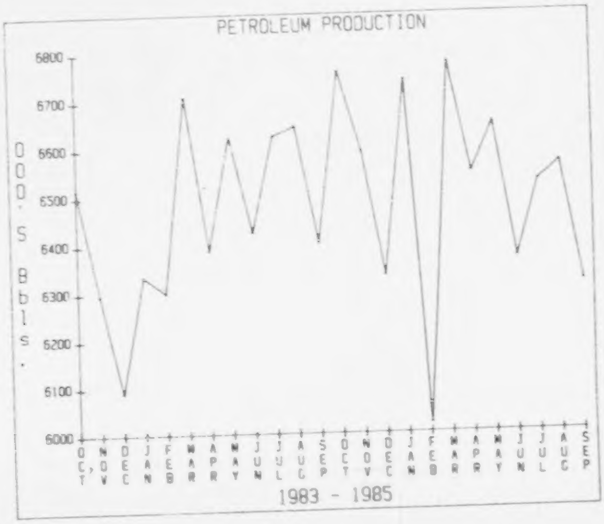












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Oct 85	325.5	3.2	324.5
Food and beverages	Oct 85	302.5	2.0	302.1
Housing	Oct 85	354.4	3.9	353.8
Apparel and upkeep	Oct 85	211.1	2.6	209.6
Transportation	Oct 85	320.9	1.7	319.7
Medical care	Oct 85	410.5	6.5	408.3
Entertainment	Oct 85	268.4	3.9	266.8
Other goods and services	Oct 85	334.9	6.0	333.3
Revised series, wage earners and clerical workers (1967=100)				
All items	Oct 85	321.3	2.9	320.5
Gross national product* ($Bil. constant)	III 85	1688.9	2.7	1671.3
Prime interest rate** (% per annum)	Oct 85	9.5	-20.8	9.5
Mortgage interest rate*** (% per annum)	Sep 85	11.1	-11.0	11.2
3 month treasury bill# (% per annum)	Oct 85	7.2	-28.0	7.1
Industrial production## (1977=100)	Sep 85	124.7	1.2	124.8
Manufacturers new orders## ($Bil.)	Aug 85	198.5	3.2	195.8

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Oct 85	599.7	0.5	595.0	108,428	2.5	107,867
Unemployment rate (%)	Oct 85	8.6	22.9	8.7	6.8	-4.2	6.9
Nonagricultural employment (000)	Oct 85	522.9	1.7	521.5	99,279	4.2	98,675
Personal income### ($Mil.)	II 85	15,427	6.5	15,262	3,190,683	6.8	3,159,817
Housing units permitted							
Single	Oct 85	612	-11.3	567	88,790	28.8	81,689
Multi	Oct 85	190	-69.8	251	69,170	18.1	85,133

Note: Selected data items subject to revision.
N Not available.
* 1972 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Oct 85	656.1	1.9	651.8	2.8
Total employment* (000)	Oct 85	599.7	0.2	595.0	2.1
Unemployment* (000)	Oct 85	56.4	24.0	56.8	10.7
Unemployment rate (%)	Oct 85	8.6	21.2	8.7	7.4
Weekly new unemployment insurance claims	Oct 85	1626.0	0.0	1189.0	-8.3
Nonagricultural wage/salary employment**(000)	Oct 85	522.9	1.6	521.5	3.0
New business incorporations	May 85	266.0	7.7	236.0	N
Personal income*** ($ mil.)	II 85	15427.0	6.5	15262.0	7.9
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Sep 85	54.2	-0.5	38.0	3.7
Crops ($ mil.)	Sep 85	26.6	11.3	37.1	6.8
Total ($ mil.)	Sep 85	80.8	3.1	75.1	4.7
3. MINING					
Employment** (000)	Oct 85	19.8	-7.4	19.7	-4.5
Average hourly earnings ($)	Oct 85	11.60	-0.8	11.80	3.6
Petroleum production (000 bbls.)	Sep 85	6313.5	-1.3	6563.1	1.1
Natural gas production (bil. cu. ft.)	Sep 85	66.2	-11.7	70.3	2.0
Coal production (000 short tons)	Oct 85	1430.0	-10.6	1480.0	2.5
Oil well completions&	Oct 85	90.0	15.4	55.0	0.5
Gas well completions&	Oct 85	112.0	138.3	55.0	32.1
Total footage drilled&& (000)	Oct 85	1139.8	38.7	692.7	7.4
Oil sales ($ mil.)	Aug 85	157.5	-12.9	153.2	-7.5
Gas sales ($ mil.)	Aug 85	179.0	-3.6	171.3	4.5
4. CONSTRUCTION					
Employment** (000)	Oct 85	37.0	-0.5	37.3	1.8
Average hourly earnings ($)	Oct 85	10.70	2.9	10.70	0.3
Residential units permitted	Oct 85	802.0	-50.6	818.0	-26.7
Residential building permits ($ mil.)	Oct 85	42.9	-34.8	39.1	-20.2
Nonresidential building permits ($ mil.)	Oct 85	35.9	-11.7	36.1	-3.2
Residential construction contracts ($ mil.)	Oct 85	58.8	-24.3	57.0	2.3
Nonresidential construction contracts ($mil.)	Oct 85	52.9	-0.7	48.8	-5.2
Nonbuilding construction contracts ($ mil.)	Oct 85	53.9	-2.7	43.7	-12.8
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Oct 85	29.9	-1.3	30.1	0.4
Average hourly earnings## ($)	Oct 85	11.30	7.7	11.30	5.3
6. MANUFACTURING					
Employment** (000)	Oct 85	37.7	-0.7	37.9	2.3
Average hourly earnings ($)	Oct 85	8.20	3.8	8.20	4.4
Electric & electronic equipment employment** (000)	Oct 85	6.2	-4.6	6.3	4.2
Transportation equipment employment** (000)	Oct 85	4.2	20.0	4.0	12.4
Food & kindred products employment** (000)	Oct 85	4.8	-2.0	5.0	1.2
Textile & apparel employment** (000)	Oct 85	2.4	-4.0	2.4	-7.6
Lumber & wood products employment** (000)	Oct 85	2.6	4.0	2.6	2.4

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
	MO/QTR	DATA			
7. TRADE					
Wholesale employment** (000)	Oct 85	22.4	-0.8	22.3	0.1
Retail employment** (000)	Oct 85	104.1	6.7	103.4	5.7
Average hourly earnings ($)	Oct 85	7.50	0.0	7.50	2.2
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Oct 85	25.4	2.5	25.6	4.2
Bank average hourly earnings ($)	Oct 85	5.70	3.7	5.60	3.5
Bank total assets ($ mil.)	IV 84	8730.2	3.6	8720.8	N
Bank total deposits ($mil.)	IV 84	7543.5	4.1	7406.4	N
Bank gross loans ($ mil.)	IV 84	5135.7	11.8	5141.9	N
S & L total assets ($ mil.)	Sep 85	4761.0	14.4	4733.5	16.3
S & L total deposits ($ mil.)	Sep 85	4009.0	17.3	3961.7	19.6
S & L total loans closed ($ mil.)	Jun 85	189.1	7.9	114.7	16.8
9. SERVICES AND TOURISM					
Total service employment** (000)	Oct 85	111.6	1.2	112.4	5.1
Lodging employment** (000)	Oct 85	11.2	1.0	11.4	1.8
Eating & drinking places employment** (000)	Oct 85	37.6	6.9	38.2	7.9
Visits to state parks (000)	Sep 85	479.3	-5.0	801.0	3.6
Visits to national parks/monuments (000)	Oct 85	118.5	6.0	138.1	-0.2
Passenger traffic at Albuquerque airport@ (000)	Oct 85	349.3	12.4	295.1	12.2
Lodgers tax receipts ($ 000)	III 85	1995.1	N	0.0	N
Lodging occupancy rates (%)	Oct 85	74.8	-0.1	63.2	-2.7
10. GOVERNMENT					
Total government employment** (000)	Oct 85	135.0	1.9	132.8	1.9
Federal employment** (000)	Oct 85	29.5	1.4	29.9	1.1
State employment** @@ (000)	Oct 85	49.2	5.6	47.8	3.6
Local employment** (000)	Oct 85	56.3	-1.0	55.1	1.0
Total general fund revenues@@@ ($ mil.)	Sep 85	91.1	-6.7	105.3	-0.2

N Not available.
Note: selected data items subject to revision.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
## Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9,
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* AUG-OCT	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* MAY-JUL
Alamogordo	$ 13,884	4.1	$ 13,905
Albuquerque	227,081	11.7	216,221
Artesia	5,938	1.7	6,160
Carlsbad	13,031	-1.7	14,041
Clovis	14,998	-3.7	16,441
Deming	4,483	-6.4	4,658
Espanola	7,401	0.5	7,938
Farmington	29,138	8.6	29,284
Gallup	20,708	0.1	20,361
Hobbs	21,209	-3.6	22,594
Las Cruces	32,150	-0.4	32,649
Las Vegas	5,952	0.2	5,840
Los Alamos	6,227	-1.4	6,309
Lovington	4,573	-27.1	6,004
Portales	6,271	9.4	6,735
Roswell	18,213	-12.1	19,102
Ruidoso	6,978	-12.5	6,082
Santa Fe	47,718	8.6	41,478
Silver City	7,940	9.2	7,103
Taos	7,861	-0.2	6,611
State total	635,099	4.8	623,349

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
			CUMULATIVE TOTAL THROUGH OCT.				CUMULATIVE TOTAL THROUGH OCT.	
	OCT. 1985	OCT. 1984	1985	1984	OCT. 1985	OCT. 1984	1985	1984
RESIDENTIAL								
Alamogordo	19	18	213	36[illegible]	$ 869	$ 720	$ 9,606	$ 11,145
Albuquerque	223	468	4,255	6,826	12,351	17,946	176,288	241,967
Carlsbad	8	3	66	111	320	275	3,213	5,396
Clovis	28	3	130	94	959	357	6,982	4,087
Farmington	13	10	118	148	460	352	4,252	5,757
Hobbs	1	2	34	46	90	148	2,291	3,852
Las Cruces	33	44	537	1,057	1,673	2,342	23,687	41,652
Los Alamos	21	47	105	204	1,038	2,432	9,037	10,021
Rio Rancho**	140	135	1,205	830	7,528	7,482	67,653	44,333
Roswell	7	10	96	160	394	494	5,230	7,750
Ruidoso	9	27	120	353	602	2,096	9,093	25,572
Santa Fe	110	155	545	1,140	4,241	6,650	25,374	47,933
NONRESIDENTIAL								
Alamogordo	40	16	134	123	175	374	2,169	4,922
Albuquerque	21	33	294	369	11,339	10,743	116,031	110,310
Carlsbad	18	8	222	180	43	16	2,773	1,770
Clovis	7	4	66	64	101	548	4,987	3,191
Farmington	8	7	34	18	1,231	1,850	2,992	2,753
Hobbs	1	0	10	20	25	0	1,775	4,421
Las Cruces	14	23	199	270	243	2,474	17,254	12,568
Los Alamos	7	12	50	65	128	175	399	528
Rio Rancho**	4	4	30	25	1,581	426	9,410	8,049
Roswell	13	12	186	163	19	649	1,437	7,024
Ruidoso	7	15	70	107	295	782	6,308	10,340
Santa Fe	16	17	140	137	4,496	1,350	24,106	42,240

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**		
	OCT. p	% CHANGE YEAR AGO	SEPT. r	OCT. p	% CHANGE YEAR AGO	SEPT. r	OCT. p	% CHANGE YEAR AGO	SEPT. r
TOTAL CIVILIAN LABOR FORCE	656.1	1.9	651.8	248.0	3.1	248.2	46.6	3.6	45.1
Employment***	599.7	0.2	595.0	232.0	2.6	231.7	42.4	1.5	40.9
Unemployment	56.4	24.0	56.8	16.0	11.2	16.5	4.2	31.3	4.2
Unemployment rate (%)	8.6	21.2	8.7	6.5	8.4	6.7	9.1	28.2	9.3
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	522.9	1.6	521.5	220.9	3.8	221.1	38.7	4.1	37.1
Mining	19.8	-7.4	19.7	0.2	-33.3	0.2	N	N	N
Contract construction	37.0	-0.5	37.3	17.8	11.3	17.9	2.7	0.0	2.7
Manufacturing	37.7	-0.7	37.9	19.4	-1.0	19.3	3.7	-5.1	3.7
Durable goods	24.3	1.3	24.3	13.4	-3.5	13.3	1.4	-6.6	1.4
Nondurable goods	13.4	-4.2	13.6	6.0	5.3	6.0	2.3	-4.1	2.3
Transportation & public utilities	29.9	-1.3	30.1	12.0	-1.6	12.0	1.5	7.2	1.4
Trade	126.5	5.3	125.7	57.5	6.5	57.5	8.2	9.4	7.9
Wholesale	22.4	-0.9	22.3	13.7	-0.7	13.6	0.9	0.0	0.9
Retail	104.1	6.7	103.4	43.8	9.0	43.9	7.3	10.7	7.1
Finance, insurance, & real estate	25.4	2.5	25.6	13.5	5.5	13.5	1.6	14.3	1.6
Services	111.6	1.2	112.4	55.9	4.7	55.9	5.1	8.2	4.9
Government	135.0	1.9	132.8	44.6	-0.2	44.8	15.9	3.3	15.0
Federal	29.5	1.4	29.9	12.4	4.3	12.7	4.9	6.6	4.7
State	49.2	5.6	47.8	13.6	4.7	14.0	6.0	1.7	5.5
Local	56.3	-1.0	55.1	18.6	-6.0	18.1	5.0	2.1	4.8

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Includes labor disputes.

Source: New Mexico Employment Security Department.

A Shopper's Guide To Population Projections

In an era of rapid change, hindsight has become a luxury which few can afford. Anticipating the course of future trends has become an integral element of present-day analysis, and the demand for information about the future has spawned a proliferation of demographic and economic projections. From high growth to slow growth to no growth, projections have been developed from a variety of methods to represent a range of future scenarios for different areas and time frames. The sheer availability of projections has probably produced as much confusion and frustration as information.

How to select an appropriate series from the cornucopia of projections depends upon several factors. First, consider the geographic area in which you are interested. There are three primary sources for state population projections: the Census Bureau, the Bureau of Economic Analysis (BEA), and, in each state, the agency designated by the governor to participate in the Federal-State Cooperative Program for Population (FSCPP: in New Mexico, the BBER). Additionally, the BEA provides projections for metropolitan areas; the FSCPP agency, projections for counties. Subcounty population projections may be more difficult to locate. In some states, the FSCPP agency also prepares projections for cities; however, New Mexico does not fund these projections. Local governments or regional planning agencies may have projections for their jurisdictions. Otherwise, there are a number of private data companies which provide standardized population projections for the United States from states to census tracts—for a fee.

Assuming that you have defined the area(s) and identified the projection series' which are available, the question now is which series to select. Consider your expected use of the projections, i.e., the type of information which you need, and the different methods employed to derive the projection series'. If you are interested in the interaction between economic change and population change, you should consider an economic model such as the BEA's long-range model or the BBER's short-range FOR-UNM model. However, if you are interested in the changes in population composition, you should consider a demographic model such as the cohort-component methods used by the Census Bureau or the BBER for long-range projections. The choice of method depends more upon your intended application of the projections than the relative "accuracy" of the model. No method has been proven to be more accurate than another; however, the methods differ in terms of the kinds of variables and assumptions which are applied in the projection process.

In the final assessment, projections should be judged on the basis of the assumptions about the future. A series of projec-

(Continued on Page 8)

A Shopper's Guide . . .

(Continued from Page 7)

tions represents nothing more than the numeric outcome of defined assumptions about future change. They are illustrations, not predictions. Base your judgment of the assumptions upon past trends in the areas, but do not expect a simple continuation of past trends. Although the past does provide valuable insight to the future, it portends changes, not statics. The pace of change is unlikely to decelerate—according to our latest projections.

The following table illustrates some of the diversity you can expect to encounter with different projection series. The latest BEA and BBER projections are presented for the state and metropolitan areas. The differences reflect not only the methods (BEA's economic model v. BBER's cohort-component model), but also the distinction between national and local perspectives.

Lynn Bodin Wombold, Senior Demographer

COMPARISON OF POPULATION PROJECTIONS

		BEA				BBER			
Area	1980	1990	1980-90 % Change	2000	1990-00 % Change	1990	1980-90 % Change	2000	1990-00 % Change
New Mexico	1,303,300	1,538,000	18.0	1,710,900	11.2	1,637,000	25.6	1,951,500	19.2
Albuquerque	420,300	493,100	17.3	555,900	12.7	525,800	25.1	614,800	16.9
Las Cruces	96,300	112,900	17.2	125,600	11.2	131,300	36.3	158,300	20.6
Santa Fe	93,100	117,000	25.7	135,400	15.7	115,700	24.3	133,600	15.4

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Single Copies $1.85

4/17/86 U 7980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 1
January-February 1986

The New Mexico Economy 1985

National Economy

The U.S. economy in 1985 was mired in a "growth recession" with growth in real gross national product at 2.3 percent which compares to a strong 6.6 percent growth rate in 1984. During the year, policy actions were taken on the nation's twin deficits: on the trade deficit that stems from a powerful dollar and on the huge federal budget deficit. U.S. personal income rose 5.9 percent during 1985. Inflation was relatively mild as the consumer price index increased 3.6 percent for the year. Interest rates fell dramatically, rallying a bullish Wall Street and spiraling the stock market to record highs. Tax reform fell out of favor, at least for 1985, as Washington dealt with more pressing issues. Business spending on new plant and equipment contributed strongly to gross national product. However, industrial growth wilted as Americans, despite personal income gains and free spending, purchased imported goods. Still, rapid employment growth in services provided the economy with momentum and consumers with purchasing power. The Federal Reserve assisted growth with an expansionary monetary policy during the year and thus staved off a credit clash among private and public sector borrowers.

New Mexico Economy

New Mexico's economic growth tapered off during 1985, as the economy experienced modest growth in the first half of the year, but a slow second half with activity stalling statewide except in Albuquerque. Total nonagricultural employment in 1985 grew at a 3.0 percent rate compared to 4.9 percent in 1984. The state unemployment rate, meanwhile, increased from 7.5 percent in 1984 to 8.8 percent in 1985.

New Mexico experienced slower economic growth in its mining, manufacturing and construction sectors. The plunging price of oil, international commodity competition, and the strong dollar all impacted the state's mining and manufacturing sectors. Moderate employment gains occurred in trade and services, but growth was slight in the large government sector. Personal income growth, now expected to increase 6.3 percent, weakened throughout 1985 because of less employment growth, small wage gains, and lower interest rates that affected interest income. Albuquerque, in contrast to the state's performance, had a construction boom and rapid growth in retail trade and services, which, despite laggard manufacturing and government sectors, kept the city humming apace of the state with a respectable 5.4 percent growth in nonagricultural employment in 1985.

The state's income sensitive sectors, retail trade and services, trailed off in activity, corresponding to the decline in personal income growth. Overall trade employment growth was 4.5 percent during 1985 compared to 6.1 percent in 1984, with a 2.7 percent gain for wholesale trade and a 4.9 percent increase in 1985 for retail trade. Albuquerque showed a 6.6 percent employment gain in retail trade as more strip shopping centers were developed and more discounters entered the city.

Albuquerque and the state also diverged in construction activity with the city experiencing a boom in office buildings, hotel, and single and multi-family housing projects. Construction employment in the rest of the state fell 10.4 percent due to completion of capital projects for prisons and offices and the end of modernization in the copper industry. Thus, all growth in construction occurred in Albuquerque where employment grew 16.8 percent. Statewide, authorized units for single family houses dropped 10.1 percent in 1985, yet authorized units for multi-family dwellings landslided 45.8 percent from the previous year.

Employment in New Mexico's manufacturing sector grew a mediocre 2.2 percent during 1985 with greater growth occurring in durables than in nondurables. The state's textile/apparel and electrical equipment industries had job losses throughout the year. In Albuquerque, the electronics industry also suffered from the export dampening high dollar and from troubles within the industry such as foreign competition and slack demand.

PER CAPITA INCOME[1]
SOUTHWEST AND ROCKY MOUNTAIN REGIONS

	1983	1984	% Change	National Rank 1984
SOUTHWEST	$11,266	$12,213	8.4	NA
Arizona	10,745	11,841	10.2	30
NEW MEXICO	9,628	10,262	6.6	43
Oklahoma	10,880	11,655	7.1	32
Texas	11,590	12,572	8.5	21
ROCKY MOUNTAIN	$11,055	$11,879	7.5	NA
Colorado	12,770	13,847	8.4	8
Idaho	9,444	10,092	6.9	45
Montana	10,050	10,546	4.9	40
Utah	9,021	9,733	7.9	48
Wyoming	11,643	12,224	5.0	27
U.S. AVERAGE	$11,690	$12,789	9.4	NA

NA Not applicable.

[1] By place of residence.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

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The University of New Mexico, Albuquerque, NM 87131
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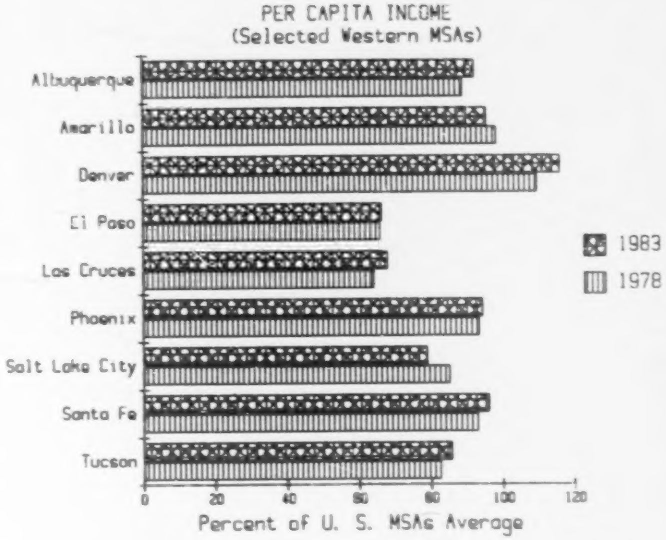
PER CAPITA INCOME[1]
SELECTED WESTERN MSAs

	Dollars			% of U.S. MSA Averages		% Change
	1978	1982	1983	1978	1983	1982-1983
ALBUQUERQUE	$7,344	$10,698	$11,520	89.1	92.4	7.7
Amarillo	8,121	11,464	11,924	98.5	95.7	4.0
Denver	9,050	13,917	14,504	109.8	116.3	4.2
El Paso	5,446	7,753	8,290	66.1	66.5	6.9
LAS CRUCES	5,298	7,921	8,485	64.3	68.1	7.1
Phoenix	7,709	11,116	11,779	93.5	94.5	6.0
Salt Lake City	7,031	9,534	9,892	85.3	79.4	3.8
SANTA FE	7,671	11,330	11,998	93.1	96.2	5.9
Tucson	6,813	9,969	10,694	82.7	85.8	7.3
U.S. MSA Average	$8,242	$11,817	$12,466	100.0	100.0	5.5

---

[1] By place of residence.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.



Layoffs at Intel, Signetics, and job losses at Digital and GTE Lenkurt plagued the city's manufacturing scene. These job losses were only partially offset by hiring at Sperry. Thus, manufacturing employment in Albuquerque gained only 2.1 percent in 1985 compared to 5.6 percent growth a year earlier.

New Mexico's government sector had a virtually flat 1.8 percent growth rate in 1985. State government employment grew 3.6 percent primarily due to increased hiring at Los Alamos National Laboratories. No growth occurred in federal employment and local government hiring grew 1.3 percent in the state but declined 0.5 percent in Albuquerque. The city gained some federal jobs and had a 5.0 percent increase in state government employment. However, much of this gain in state government employment was due to student hiring at the University of New Mexico. But in Albuquerque growth in government employment stopped in the year's second half.

The service sector in New Mexico provided the greatest rate of employment growth in 1985 with a 6.3 percent advance for the state, while Albuquerque had a 6.9 percent increase. Business services employment, in particular, grew 8.2 percent in the state and Albuquerque gained jobs at Sandia National Laboratories and BDM. The hotel industry in Albuquerque also experienced a strong 10.0 percent increase in jobs. Meanwhile, health services maintained steady growth in the city with a 4.8 percent increase in employment.

Employment growth in the finance, insurance and real estate sector concentrated in Albuquerque with the city experiencing 6.4 percent growth in 1985, less than the 8.7 percent increase in 1984. Greatest growth occurred among insurance agents and in real estate, associated with lower interest rates spurring high demand in the housing market.

Employment declined a slight 0.3 percent in the transportation, communication, and public utility sector. This sector has been weak during the last two years, reflecting the effects of AT&T's divestiture, job losses in railroads and trucking, and a hiring freeze at the state's major electric utility.

National Outlook

The U.S. economy is at a crossroads with its future direction and strength hinging upon successful policy resolutions. Domestic economic policy appears headed for a switch from the expansive fiscal policy of the past to a restrictive policy, necessitated by federal budget cuts. Monetary policy, which was fairly liberal in 1985, is expected to continue on the expansionary path to offset chops in government spending. But a recent conflict between Federal Reserve Chairman Volcker and Treasury Secretary Baker now makes monetary policy less predictable. Volcker states interest rates have fallen enough for now as he is concerned with inflation. Baker, on the other hand, is less concerned with inflation and calls for a further depreciation of the dollar along with declining interest rates. This would add impetus to manufacturing's export drive, closing the trade deficit gap. A cheaper dollar makes American goods less costly and imports relatively more expensive. The crash in oil prices, (now at $15 per barrel on the spot market) and low inflation are expected to be a boon for the nation's economy, especially for manufacturers and consumers. Yet weak income growth, a high consumer debt ratio, lower interest income and smaller federal transfer payments all will restrain personal income growth. However, the index of leading indicators increased a strong 0.9 percent in December, the eighth consecutive monthly advance; thus, no recession is foreseen in the coming months.

New Mexico Outlook

New Mexico will experience two difficult years in 1986 and 1987 with national economic forces going against the state. Mining in the state faces slack demand brought about by foreign competition and lower world commodity prices, dampening prospects for this industry (except perhaps for a rebound in coal mining). The unexpected fall in oil prices damages the state revenue picture and, moreover, marginal producers will

SELECTED U.S. PRICE AND COST INDEXES
1975 AND 1979-1985
ANNUAL AVERAGES

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
PRODUCER PRICE INDEX, ALL COMMODITIES (1967=100)	174.9	235.6	268.8	293.4	299.3	303.1	310.3	308.8	-0.5
Farm Products	186.7	241.4	249.4	254.9	242.4	248.2	255.8	230.4	-9.9
Food & Feeds, Processed	182.6	222.5	241.2	248.7	251.5	255.9	265.0	260.5	-1.7
Fuels & Related Products & Power	245.1	408.1	574.0	694.4	693.2	664.7	656.8	634.2	-3.4
CONSUMER PRICE INDEX[1] ALL ITEMS (1967=100)	161.2	217.4	246.8	272.4	289.1	298.4	311.1	322.2	3.6
Food	175.4	234.5	254.6	274.6	285.7	291.7	302.9	309.8	2.3
Housing	164.5	227.6	263.3	293.5	314.7	323.1	336.5	349.9	4.0
Medical Care	168.6	239.7	265.9	294.5	328.7	357.3	379.5	403.1	6.2
CONSTRUCTION COST INDEX[2] (1977=100)	89.3	128.8	143.2	151.9	154.2	157.3	163.7	168.3	2.8

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p Preliminary.
1 All urban consumers.
2 U.S. Department of Commerce composite.
Source: U.S. Department of Commerce, Business Statistics, and Survey of Current Business, various issues.

stop drilling as their costs rise above world oil prices. New Mexico's General Fund receives a fourth of its funding directly from energy companies, so to make up the shortfall in revenue, taxes were increased $156 million. But the revenue picture can only worsen as energy's role declines. Manufacturing growth, too, will be in the doldrums during 1986 due to a still lethargic electronics industry and to the strong dollar. Yet defense related manufacturing should continue to purr along nicely with its backlog of contracts.

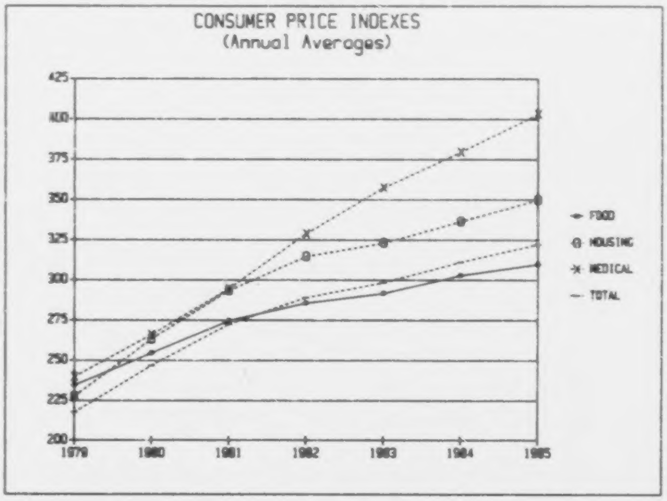
The state's large government sector is expected to remain quite flat, particularly as Gramm-Rudman-Hollings takes effect. Cuts in federal disbursements would occur in local revenue sharing, social services, and even some carving in defense is likely. Impacted local governments would be stretched and would not be in a position to increase employment while state government budget restrictions hamper prospects for employment growth in state government.

Construction activity will again concentrate in Albuquerque, but at reduced levels, as the city's office vacancy rate climbs while office space absorption stays the same. The multifamily market is also overbuilt, again indicated by a high vacancy rate and the proliferation of move-in incentives. The same is true for the overbuilt hotel market. In short, it is a buyer/renter market. Around the state major capital projects have also ended. The bright spot for construction will be the strong single family housing market. Demand will increase as interest rates remain low because more people have qualifying incomes.

Growth in the trade and service sectors are forecasted to diminish in line with slower growth in New Mexico's personal income. With New Mexico personal income expected to increase just 3.6 percent and real disposable income projected to increase a minute 0.3 percent in 1986, this will be a drag on the state economy. Albuquerque personal income is forecasted to gain only 3.1 percent in 1986, nearly half its 1985 rate. Retail trade growth in Albuquerque is out of proportion to personal income growth so in 1986 this disparity should self-correct. Services should experience the same effect with growth in employment equally dour. Expected cutbacks in defense would increase income, and moreover, a weaker multiplier effect would constrain economic growth in New Mexico.

Richard Zimmerman
Economist

(The New Mexico economic outlook is based upon the most recent short-term projections published by the FOR-UNM state econometric forecasting service managed by the Bureau of Business and Economic Research.)



CIVILIAN EMPLOYMENT

TOTAL CIVILIAN LABOR FORCE AND JOBS IN NEW MEXICO*
(Monthly Averages)

	1975	1980[1]	1981[1]	1982[1]	1983[1]	1984	1985[p]	% Change 1984-1985
TOTAL CIVILIAN LABOR FORCE	452,600	562,000	579,000	596,000	609,000	629,000	646,000	2.7
Total Employment	407,100	520,000	537,000	541,000	547,000	582,000	589,000	1.2
Total Unemployment	45,500	42,000	42,000	55,000	62,000	47,000	57,000	21.3
Rate (Unadjusted)	10.1	7.5	7.3	9.2	10.1	7.5	8.8	17.3
NONAGRICULTURAL WAGE & SALARY[2] EMPLOYMENT	370,200	465,400	475,500	473,600	479,500	502,800	518,100	3.0
Manufacturing	28,600	34,400	34,300	34,100	34,400	36,500	37,300	2.2
Mining	20,300	29,400	31,200	26,300	21,000	21,600	20,600	-4.6
Contract Construction	25,200	32,100	33,300	32,100	33,700	36,600	37,000	1.1
Transportation & Public Utilities	23,000	28,300	29,200	29,900	29,500	29,900	29,800	-0.3
Wholesale & Retail Trade	83,600	103,400	106,000	108,300	110,700	117,500	122,800	4.5
Finance, Insurance & Real Estate	16,300	21,100	21,500	21,900	23,200	24,700	25,600	3.6
Services & Miscellaneous	68,300	91,800	94,100	95,500	99,700	106,300	113,000	6.3
Government	104,300	125,000	125,800	125,600	127,200	129,700	132,000	1.8

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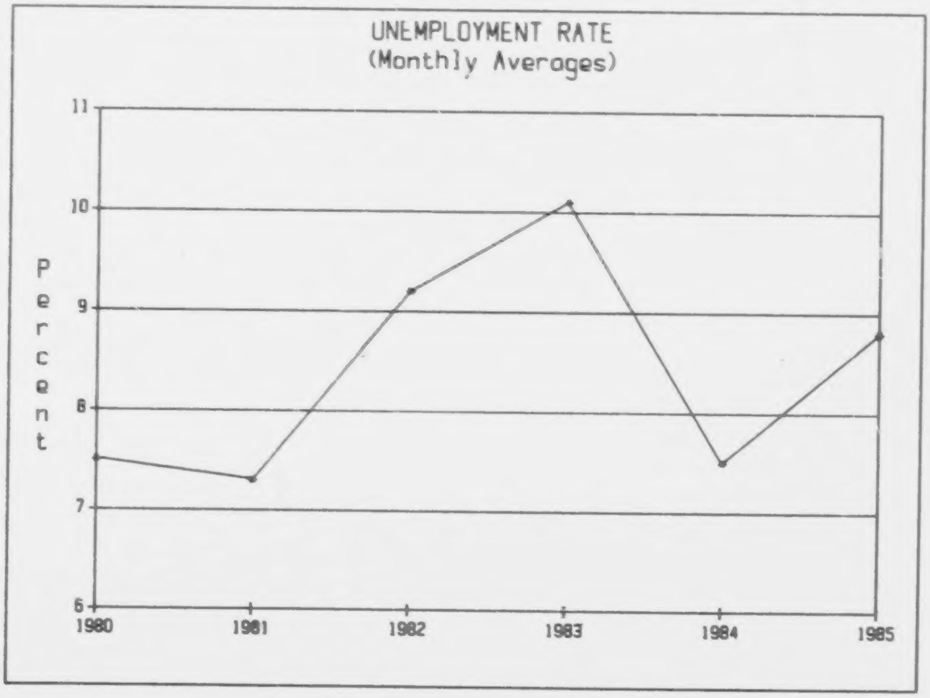
* Detail may not add to total because of rounding.

p Preliminary.

[1] Labor force data from 1980 through 1983 are currently being revised by Employment Security Department. Revisions should be available by early April, 1986.

[2] Nonagricultural wage and salary employment is not strictly comparable to total civilian employment since double job holders and in-commuting workers are excluded from total civilian employment but included in nonagricultural wage and salary employment.

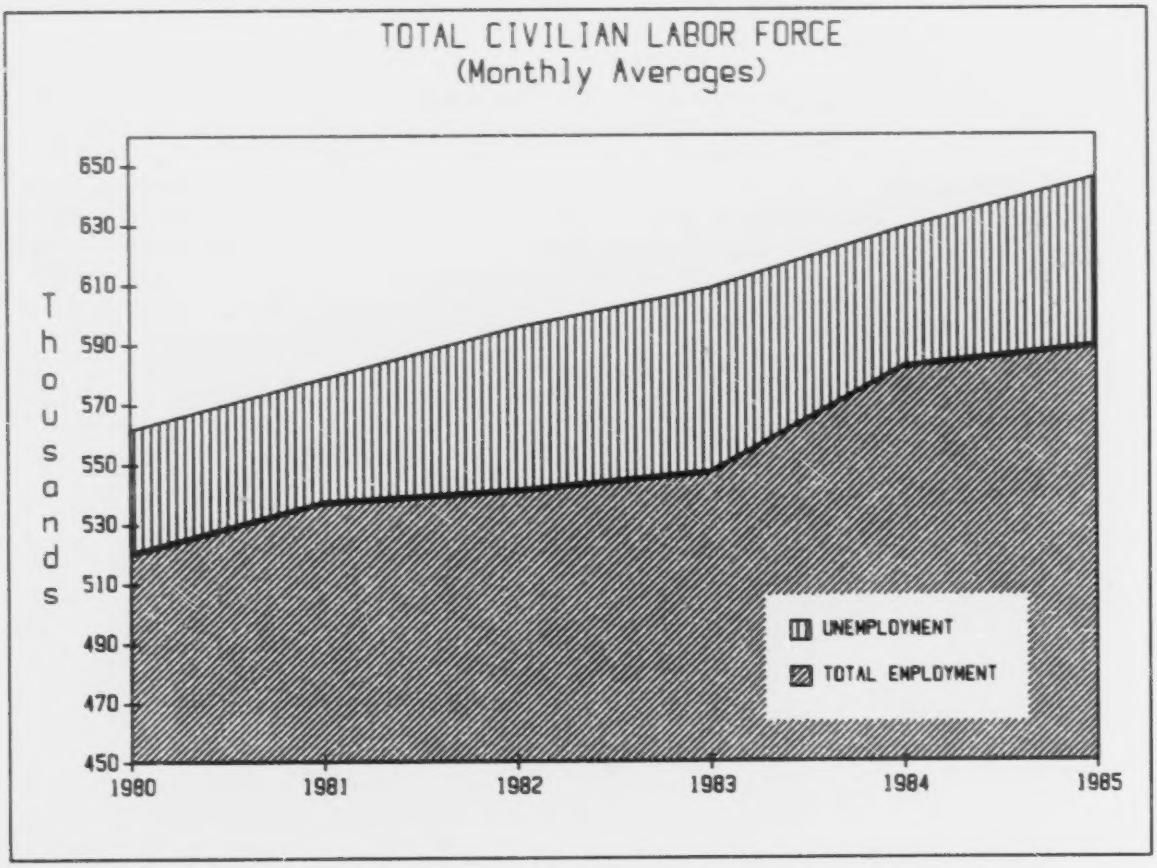
Source: New Mexico Employment Security Department.



AVERAGE HOURLY EARNINGS BY SECTOR
NEW MEXICO
(In Current Dollars)

	1975	1980	1981	1982	1983	1984	1985p	% Change 1975-1985	% Change 1984-1985
Mining	$5.66	$9.20	$ 9.90	$11.15	$11.21	$11.50	$11.90	110.2	3.5
Construction	6.75	9.57	10.08	10.60	10.52	10.46	10.64	57.6	1.7
Manufacturing	3.63	5.79	6.54	7.22	7.60	7.98	8.42	132.0	5.5
Durable Goods	3.90	6.24	6.90	7.79	7.77	8.18	8.56	119.5	4.6
Nondurable Goods	3.15	4.96	5.76	6.01	7.21	7.53	8.07	156.2	7.2
Communications & Utilities	5.32	7.72	8.64	9.31	9.94	10.50	11.09	108.5	5.6
Trade[1]	3.90	6.28	6.68	6.82	7.04	6.57	6.65	NA	1.2
Banking	3.02	4.19	4.64	4.97	5.21	5.38	5.54	83.4	3.0

NA Not applicable.
p Preliminary.
[1] Excludes eating and drinking establishments through 1983.
Source: New Mexico Employment Security Department.



AVERAGE HOURLY EARNINGS BY SECTOR
NEW MEXICO
(In Constant 1985 Dollars)

	1975	1980	1981	1982	1983	1984	1985[p]	% Change 1975-1985	% Change 1984-1985
Mining	$11.31	$12.01	$11.71	$12.43	$12.10	$11.91	$11.90	5.2	-0.1
Construction	13.49	12.49	11.92	11.81	11.36	10.83	10.64	-21.1	-1.8
Manufacturing	7.26	7.56	7.74	8.05	8.21	8.26	8.42	16.0	1.9
Durable Goods	7.80	8.15	8.16	8.68	8.39	8.47	8.56	9.7	1.1
Nondurable Goods	6.30	6.48	6.81	6.70	7.79	7.80	8.07	28.1	3.5
Communications & Utilities	10.63	10.08	10.22	10.38	10.73	10.87	11.09	4.3	2.0
Trade[1]	7.80	8.20	7.90	7.60	7.60	6.80	6.65	NA	-2.2
Banking	6.04	5.47	5.49	5.54	5.63	5.57	5.54	-8.3	-0.5

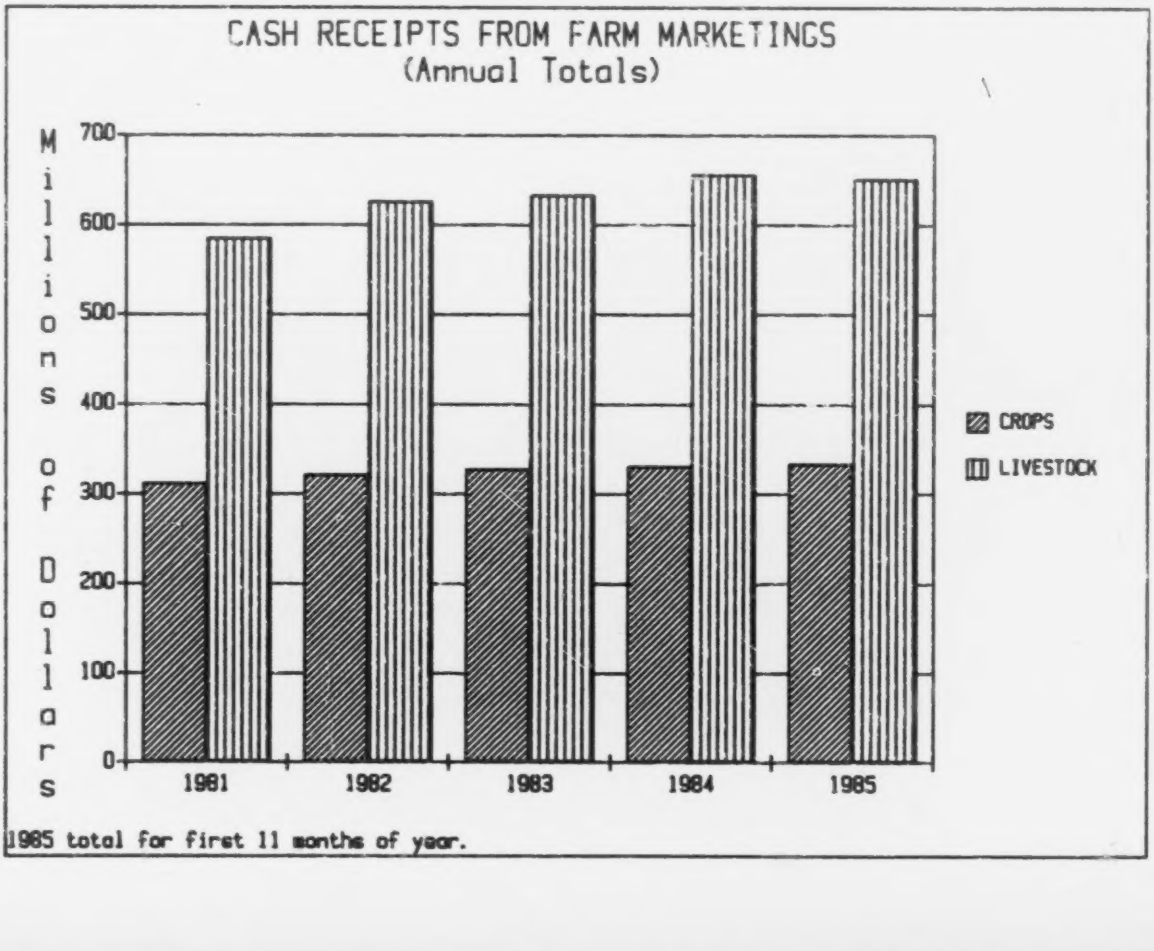
NA Not applicable.

p Preliminary.

[1] Excludes eating and drinking establishments through 1983.

Source: New Mexico Employment Security Department and the U.S. Department of Labor, Bureau of Labor Statistics.

AGRICULTURE



CASH RECEIPTS FROM FARM MARKETINGS
(Annual Totals)

1985 total for first 11 months of year.

LIVESTOCK PRICES AND CASH MARKETINGS OF FARM PRODUCTS IN NEW MEXICO

	1975	1981	1982	1983	1984[2]	1985[2]	% Change 1984-1985
PRICES TO FARMERS (Annual Averages)							
All Beef Cattle (per cwt.)[1]	$ 39.30	$ 51.00	$ 46.80	$ 46.50	$ 46.00	$ na	na
Calves (per cwt.)[1]	27.40	67.10	62.60	65.20	63.10	na	na
Sheep (per cwt.)[1]	11.20	22.70	18.20	15.00	21.10	na	na
Lambs (per cwt.)[1]	40.90	51.00	48.60	50.10	56.80	na	na
Wool (per lb.)	0.52	1.06	0.88	0.76	0.87	na	na
CASH MARKETINGS (Annual Totals) ($000s)							
All Farm Products	$725,713	$ 899,267	$949,502	$963,641	$988,725	$987,422[3]	8.3[4]
Livestock	539,072	586,293	626,797	634,384	656,526	652,192[3]	6.1[4]
Crops	186,641	312,974	322,705	329,257	332,199	335,230[3]	12.9[4]

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na Not available.

[1] cwt = hundred weight.

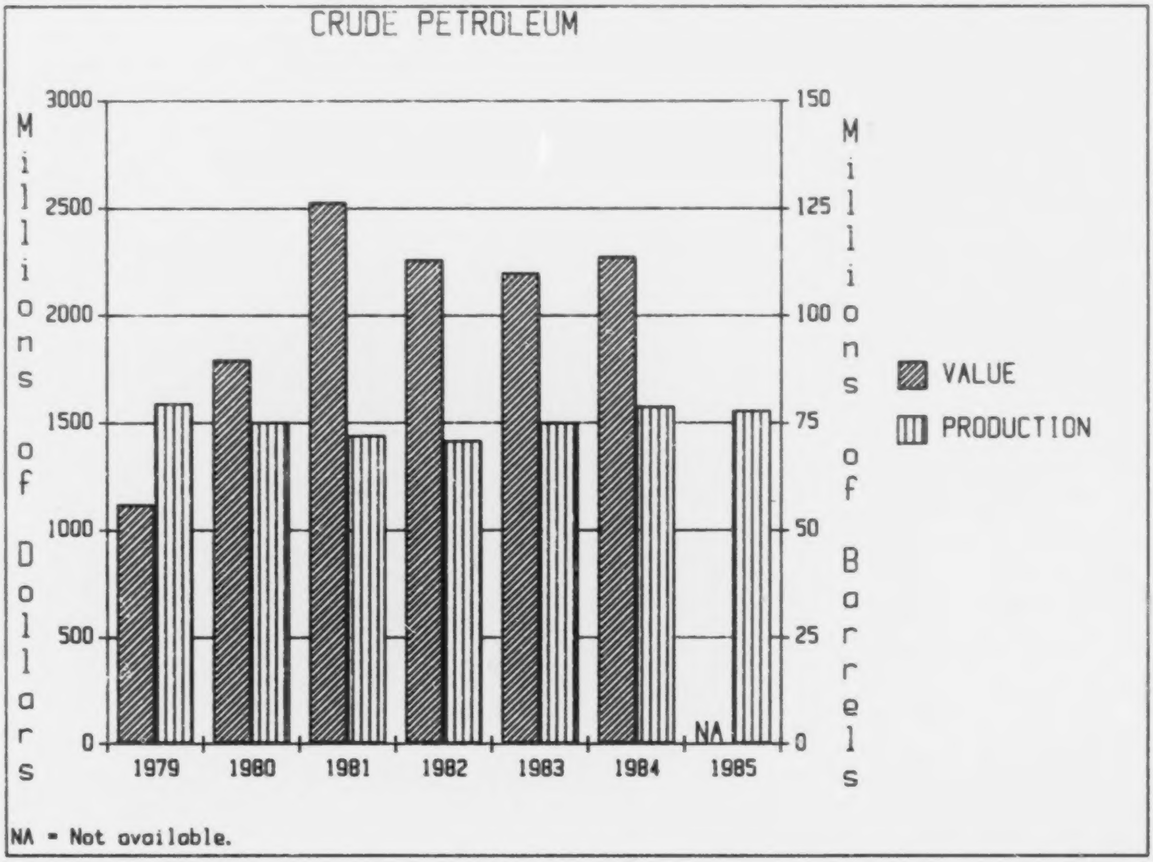
[2] Subject to revision.

[3] Total for the first 11 months of the year.

[4] Percent change based on 11 months of 1985 compared to 11 months of 1984.

Source: U.S. Department of Agriculture, Economic Research Service and New Mexico Crop and Livestock Reporting Service.

MINING



SELECTED MINERAL PRODUCTION IN NEW MEXICO

	1975	1979	1980	1981	1982	1983	1984	1985p	% Change 1984-1985
Petroleum (crude) (000 42-gal. bbls.)	95,063	79,649	75,324	72,155	71,024	75,169	79,336	77,943[2]	-1.8
Natural Gas[1] (billion cubic ft.)	1,217	1,181	1,150	1,134	991	895	957	896[2]	-6.4
Copper (000 short tons)	146,263	181	165	170	66	w	w	w	na
Potash (000 short tons, K_2O equivalent)	2,081	2,210	2,060	1,765	1,650	1,409	1,563	1,267	-18.9
Natural Gas Liquids (000 42-gal. bbls)	39,408	44,712	45,414	45,544	42,853	42,735	50,604	44,932[2]	-11.2
Uranium (000 lbs., recoverable content U_3O_8)	11,000	16,400	16,400	13,200	7,600	5,900	3,000	na	na
Coal (000 short tons)	8,785	15,615	19,297	18,685	19,940	20,415	21,269	21,042	-1.1
Sands and Gravel (000 short tons)	6,220	7,141	7,050	7,300	5,616	7,000	8,363	8,400	0.4
Perlite (000 short tons)	429	588	539	489	408	394	416	429	3.1
Stone (000 short tons)	2,197	2,609	2,235	4,188	2,818	4,748	4,719	5,022	6.4
Gold (000 troy ounces)	15	23	16	66	54	w	w	w	na
Silver (000 troy ounces)	792	w	1,274	1,632	805	w	w	w	na

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na Not available.

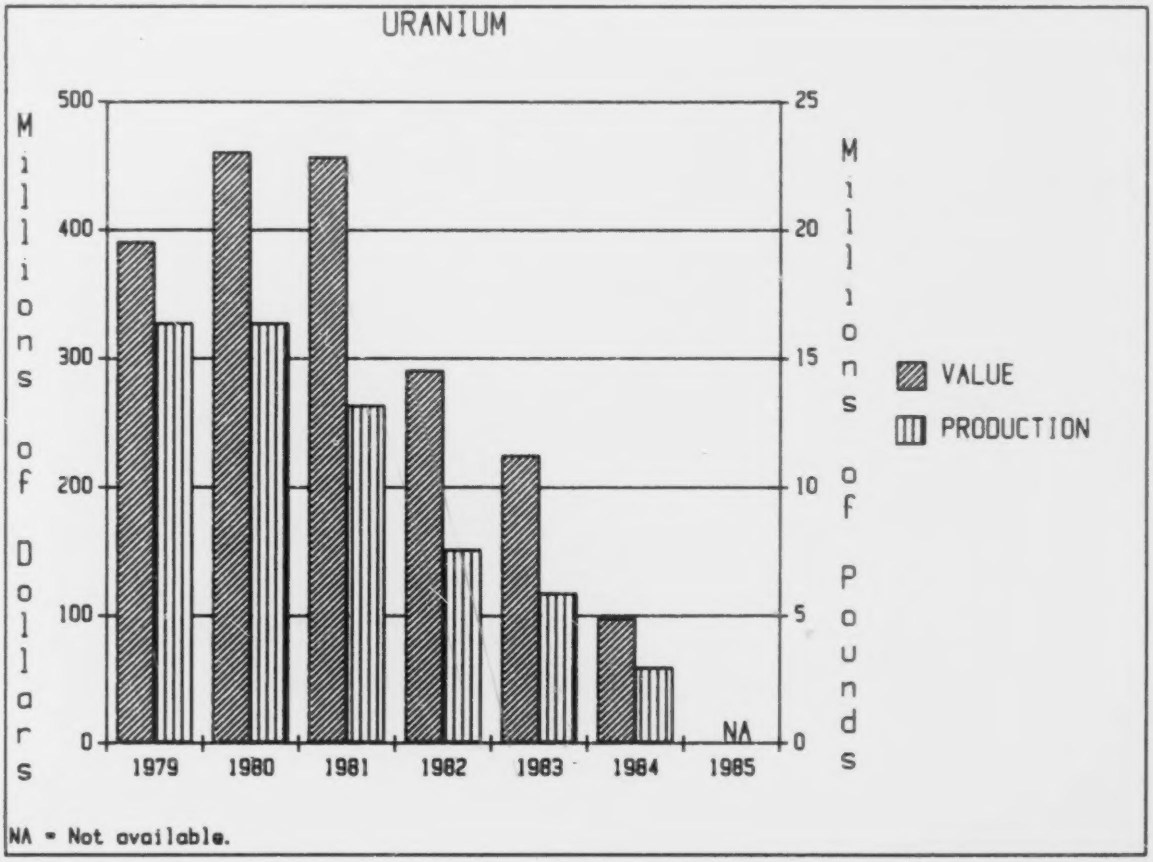
p Preliminary.

w Witneld to avoid disclosing confidential data of individual companies.

[1] Marketed production, i.e., gross withdrawals less gas used for repressuring and quantities vented and flared.

[2] Estimate based on available data.

Source: U.S. Department of the Interior, Bureau of Mines, annual report; the U.S. Department of Energy, Energy Information Administration, selected publications; and the New Mexico Energy and Minerals Department.



NA = Not available.

VALUE OF MINERAL PRODUCTION IN NEW MEXICO
($000s)

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
TOTAL	$2,091,541	$4,030,777	$5,343,247[1]	$6,435,815[1]	$5,930,325[1]	$5,712,317[1]	$6,004,984[1]	na	na
Crude Petroleum	788,073	1,119,864	1,794,217	2,529,032	2,261.404	2,199,445	2,276,150	na	na
Natural Gas[2]	493,059	1,613,742	2,021,315	2,415,033	2,443,891	2,402,769	2,599,121	na	na
Copper	187,802	336,934	337,328	289,204	97,384	w	w	w	na
Potash	179,924	228,776	289,011	261,200	204,600	174,700	204,100	158,200	-22.5
Natural Gas Liquids	167,357	na	na	na	na	na	na	na	na
Uranium	127,829	391,140	461,660	457,380	291,612	225,439	97,950	na	na
Coal	w	211,583	270,351	339,693	382,649	367,470	412,619	na	na
Sand & Gravel	13,798	18,245	17,676	18,000	17,670	20,000	22,389	22,800	1.8
Perlite	6.400	14,874	14,404	14,983	13,355	13,297	14,115	15,034	6.5
Stone	4,683	6,860	7,350	12,658	13,838	15,262	17,149	16,271	-5.1
Gold	2,430	7,065	9,670	30,221	21,572	w	w	w	na
Silver	3,501	w	27,400	17,170	6,397	w	w	w	na
Other	116,685	81,694	92,865	51,241	175,953	293,935	361,391	420,895	16.5

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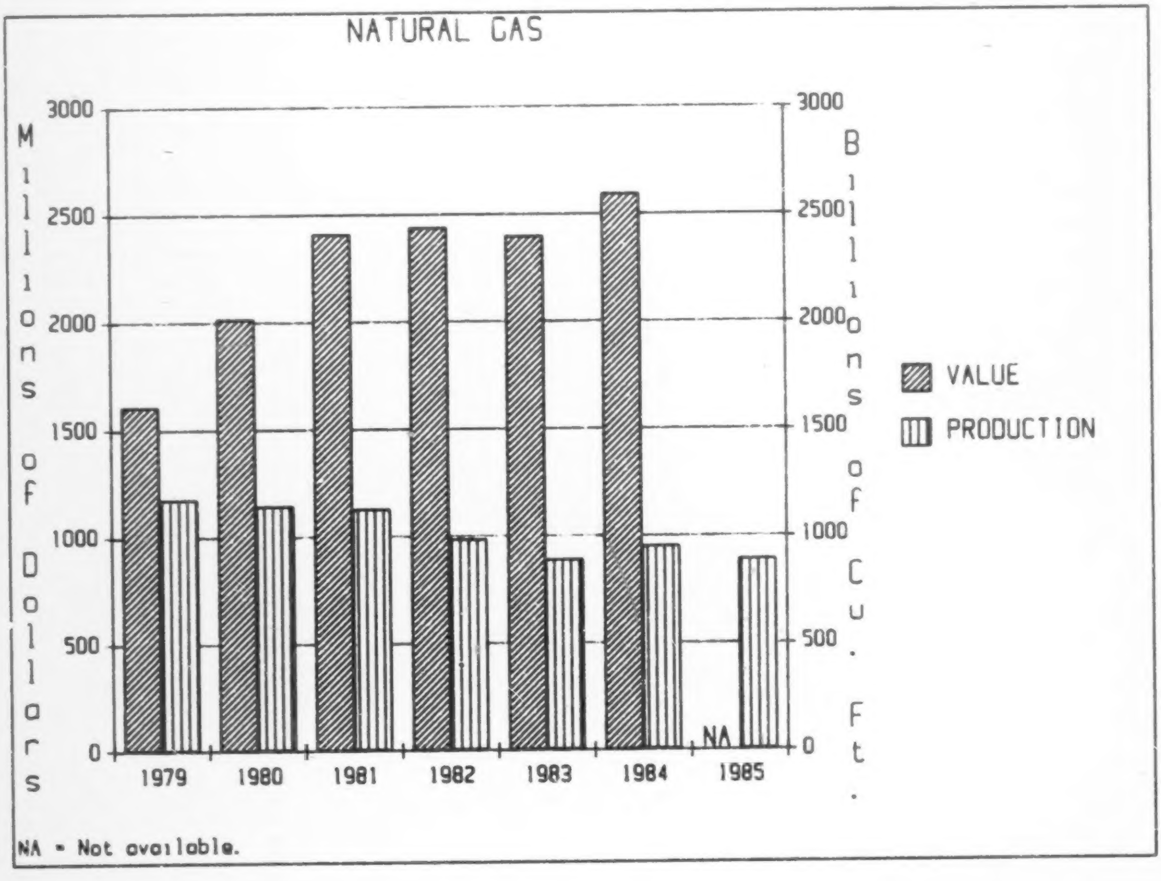
na Not available.
p Preliminary.
w Withheld to avoid disclosing individual company confidential data; included in "Other."
1 Incomplete total, may not include the value of natural gas liquids.
2 Value of marketed production, i.e., gross withdrawals less gas used for repressuring and quantities vented and flared.
Source: U.S. Department of Interior, Bureau of Mines, annual reports, and the U.S. Department of Energy.


NATURAL GAS

NA - Not available.

MINING EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
TOTAL	20,300	27,100	29,400	31,200	26,300	21,000	21,600	20,600	-4.6
Metal	7,300	11,200	10,700	9,400	5,800	4,000	3,900	3,200	-17.9
Nonmetal	4,100	5,000	5,300	5,500	5,100	4,000	4,300	4,100	-4.7
Oil & Gas	8,900	11,000	13,400	16,300	15,400	13,000	13,400	13,400	0.0
Average Weekly Hours	42.1	44.9	43.0	44.1	42.2	42.4	41.9	42.3	1.0
Average Weekly Earnings	$238.29	$371.77	$395.60	$436.59	$470.53	$475.30	$481.85	$503.37	4.5

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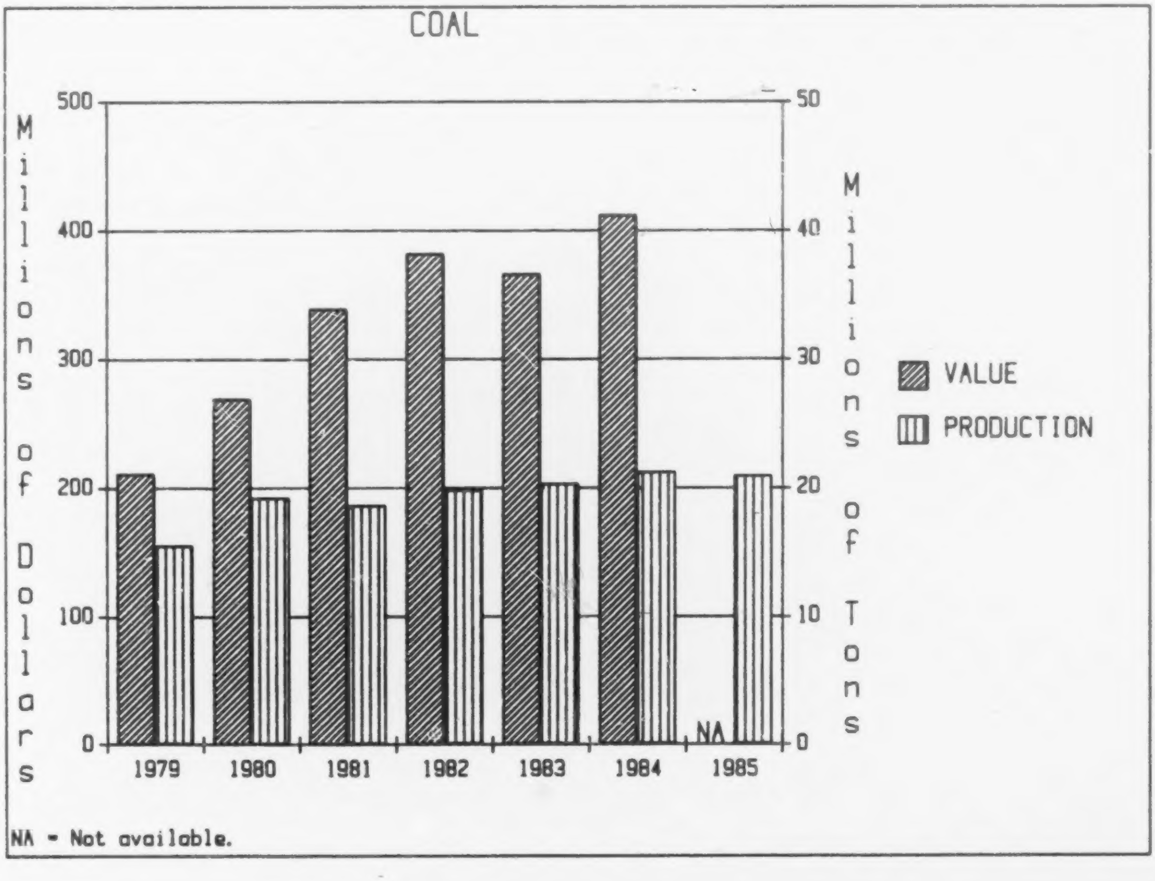
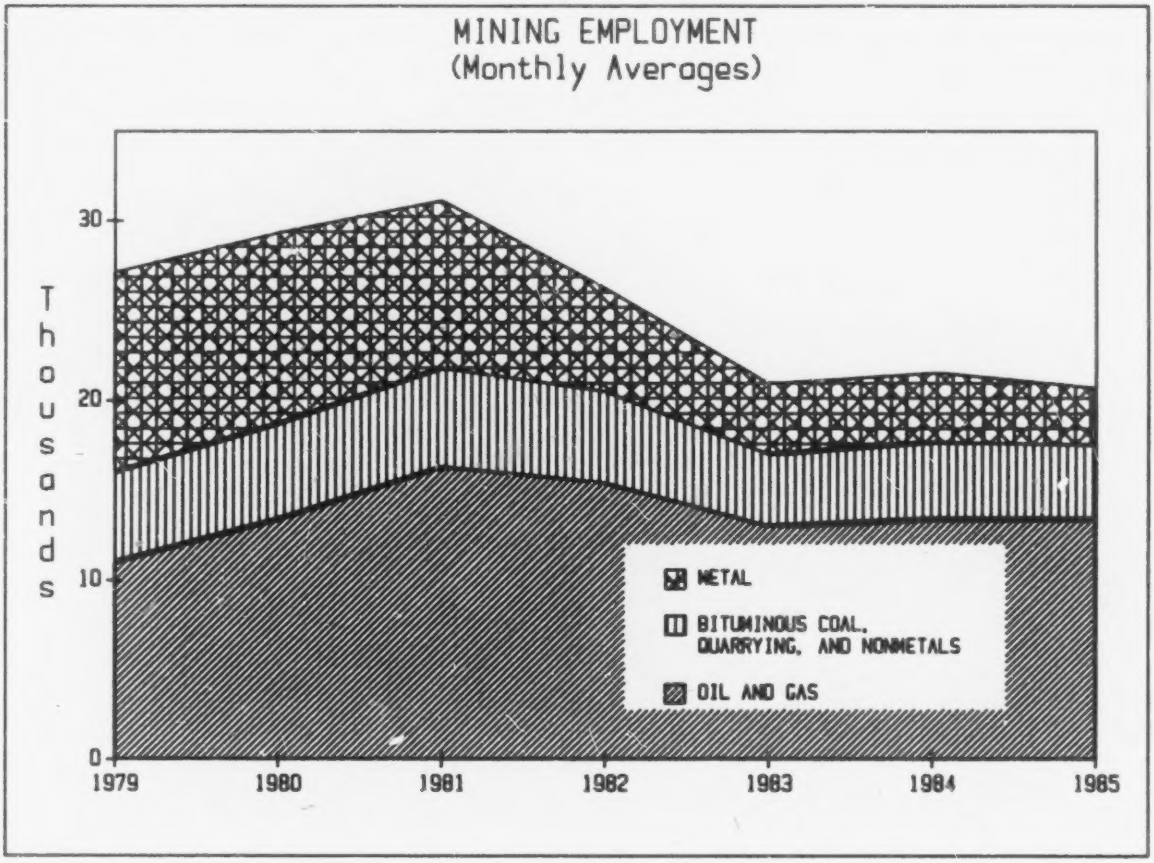
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.



NA - Not available.


MINING EMPLOYMENT
(Monthly Averages)
Thousands
0
10
20
30
1979
1980
1981
1982
1983
1984
1985
METAL
BITUMINOUS COAL, QUARRYING, AND NONMETALS
OIL AND GAS

CONSTRUCTION

CONSTRUCTION IN NEW MEXICO

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
EMPLOYMENT[1]	25,200	35,600	32,100	33,300	32,100	33,700	36,600	37,000	1.1
VALUE OF CONTRACTS AWARDED									
Total ($000s)	$660,221	$1,059,800	$1,371,397	$1,397,856	$1,354,225	$2,040,090	$1,795,606	$1,724,636	-4.0
Residential	216,446	511,400	416,307	370,661	412,456	628,529	743,463	793,181	6.7
Nonresidential	152,815	319,300	387,770	406,357	488,854	680,023	680,339	545,818	-19.8
Nonbuilding	290,960	229,100	567,320	620,838	452,915	731,538	371,804	385,637	3.7
BUILDING PERMITS									
Total Value ($000s)[2]	$ na	$ na	$ na	$ 679,000	$ 770,938	$ 952,745	$1,210,109	$1,096,795	-9.4
Residential									
Value ($000s)	$ na	$ na	$ na	$ 324,096	$ 346,374	$ 493,158	$ 683,631	566,430	-17.1
Number of Units Permitted									
Single Family	na	na	na	5,630	5,540	8,081	7,955	7,151	-10.1
Multifamily	na	na	na	2,322	3,060	2,733	8,570	4,643	-45.8
Nonresidential[3]									
Value ($000s)	$ na	$ na	na	$ 251,185	$ 305,320	$ 324,078	$ 389,130	$ 379,167	-2.6
Number of Permits	na	na	na	2,896	3,187	3,358	3,564	2,479	-30.4

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na Not available.

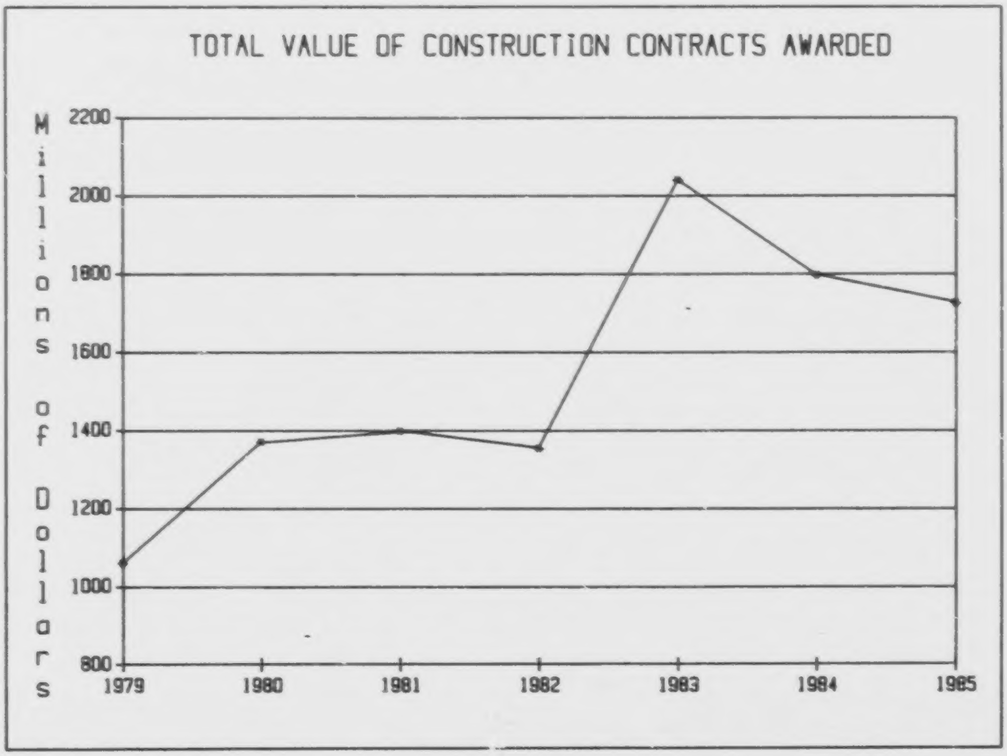
p Preliminary.

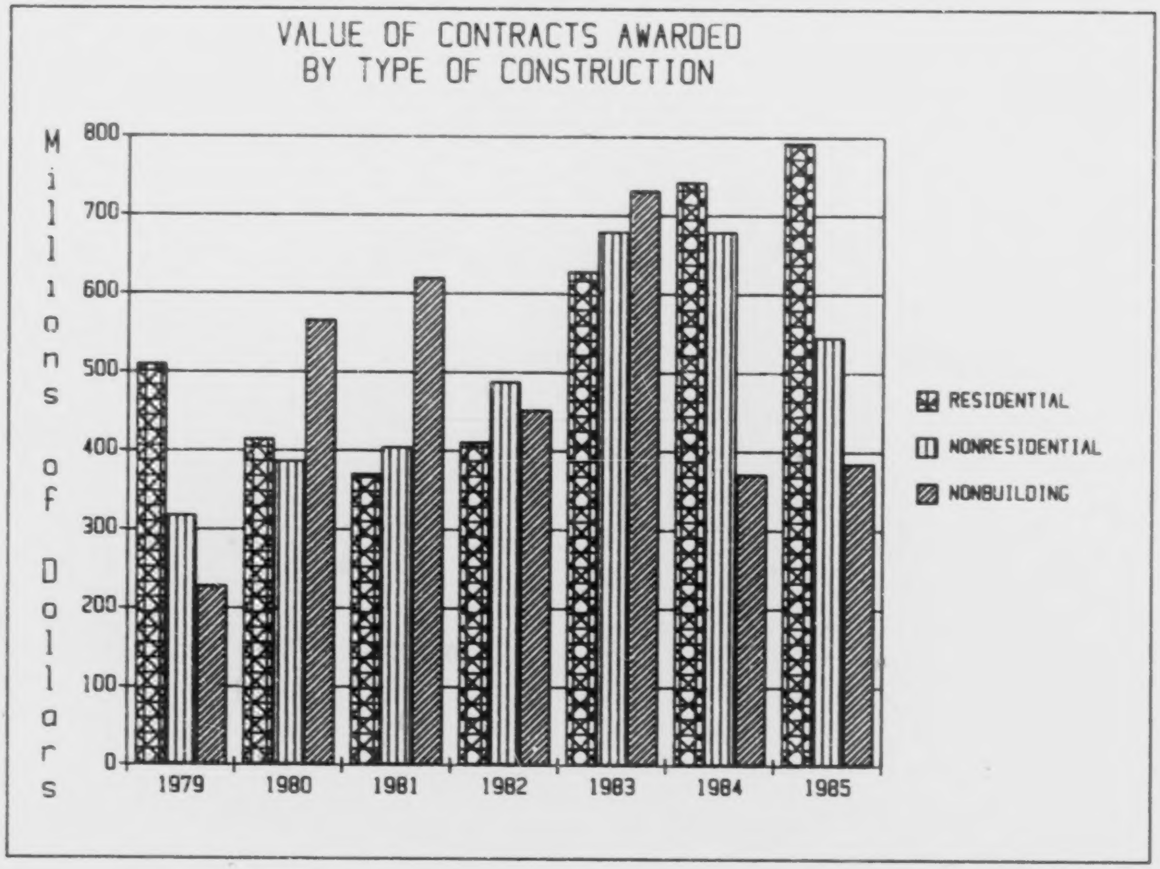
[1] Monthly averages.

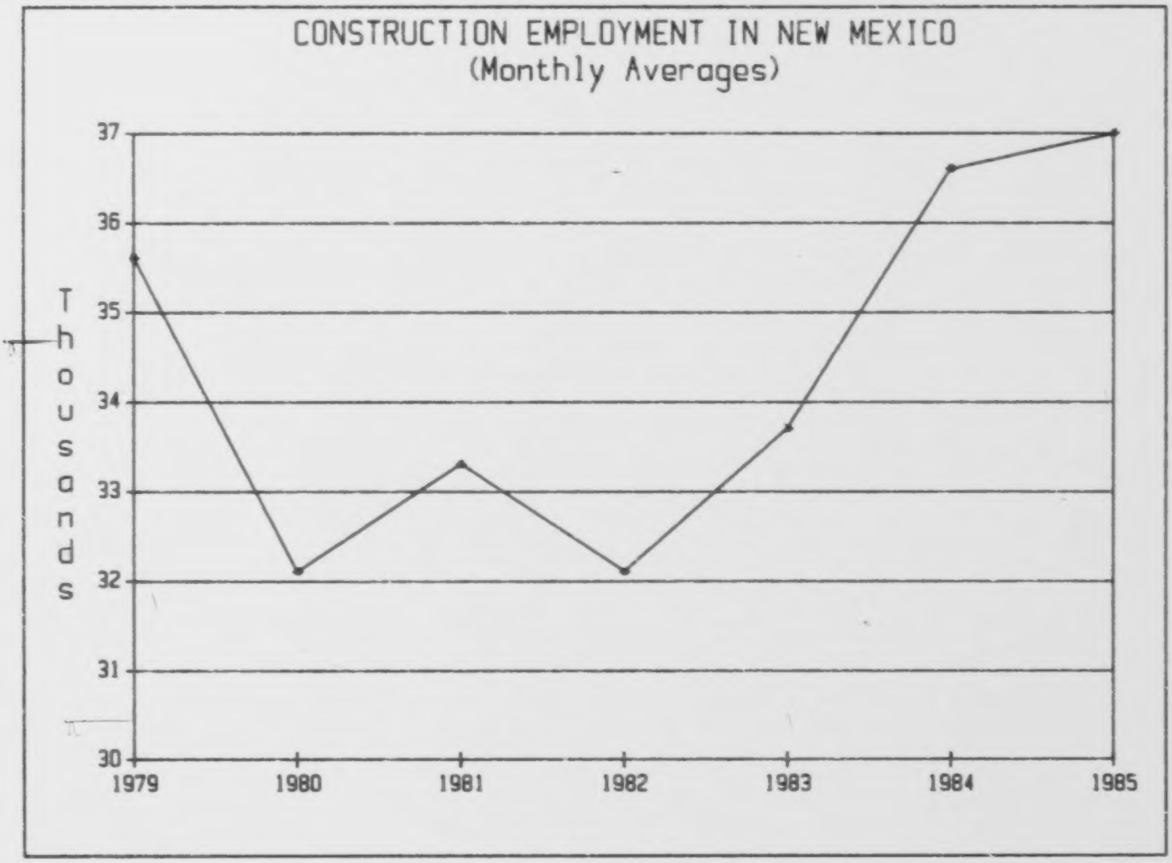
[2] Total value includes new residential value, new nonresidential value, and the value of all additions and alterations (not shown separately).

[3] Starting in 1985 residential garages were counted as an addition or alteration. Prior to 1985 they were counted as new nonresidential construction. They comprised a very small portion of nonresidential construction, making up just over 1 percent of the total in 1984.

Source: New Mexico Employment Security Department; F.W. Dodge Division, McGraw-Hill Information Systems Co.; and U.S. Department of Commerce, Bureau of the Census.




VALUE OF CONTRACTS AWARDED
BY TYPE OF CONSTRUCTION
Millions of Dollars
0
100
200
300
400
500
600
700
800
1979
1980
1981
1982
1983
1984
1985
RESIDENTIAL
NONRESIDENTIAL
NONBUILDING


CONSTRUCTION EMPLOYMENT IN NEW MEXICO
(Monthly Averages)
Thousands
37
36
35
34
33
32
31
30
1979
1980
1981
1982
1983
1984
1985

MANUFACTURING

MANUFACTURING EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985p	% Change 1984-1985
TOTAL	28,600	34,800	34,400	34,300	34,100	34,400	36,500	37,300	2.2
Durable Goods	16,900	20,600	20,500	21,000	21,400	21,900	23,600	24,200	2.5
Lumber	2,600	3,200	2,600	2,600	2,100	2,300	2,600	2,500	-3.8
Electrical Equipment	2,900	3,600	3,500	3,500	4,400	4,900	6,400	6,600	3.1
Transportation Equipment	1,900	3,500	3,900	3,800	4,100	3,900	3,500	4,000	14.3
Other	9,500	10,300	10,500	11,200	10,900	10,700	11,200	11,000	-1.8
Nondurable Goods	11,600	14,200	13,800	13,300	12,800	12,600	12,900	13,000	0.8
Food & Kindred Products	4,500	4,700	4,600	4,100	3,900	4,000	4,100	4,200	2.4
Textile & Apparel	3,000	3,900	3,800	3,600	3,000	2,600	2,500	2,400	-4.0
Other	4,200	5,700	5,500	5,700	5,900	6,000	6,300	6,500	3.2
Average Weekly Hours	39.0	39.5	39.8	39.5	39.2	39.7	39.9	39.9	0.0
Average Weekly Earnings	$141.57	$211.72	$230.44	$258.33	$283.02	$301.72	$318.40	$335.96	5.5

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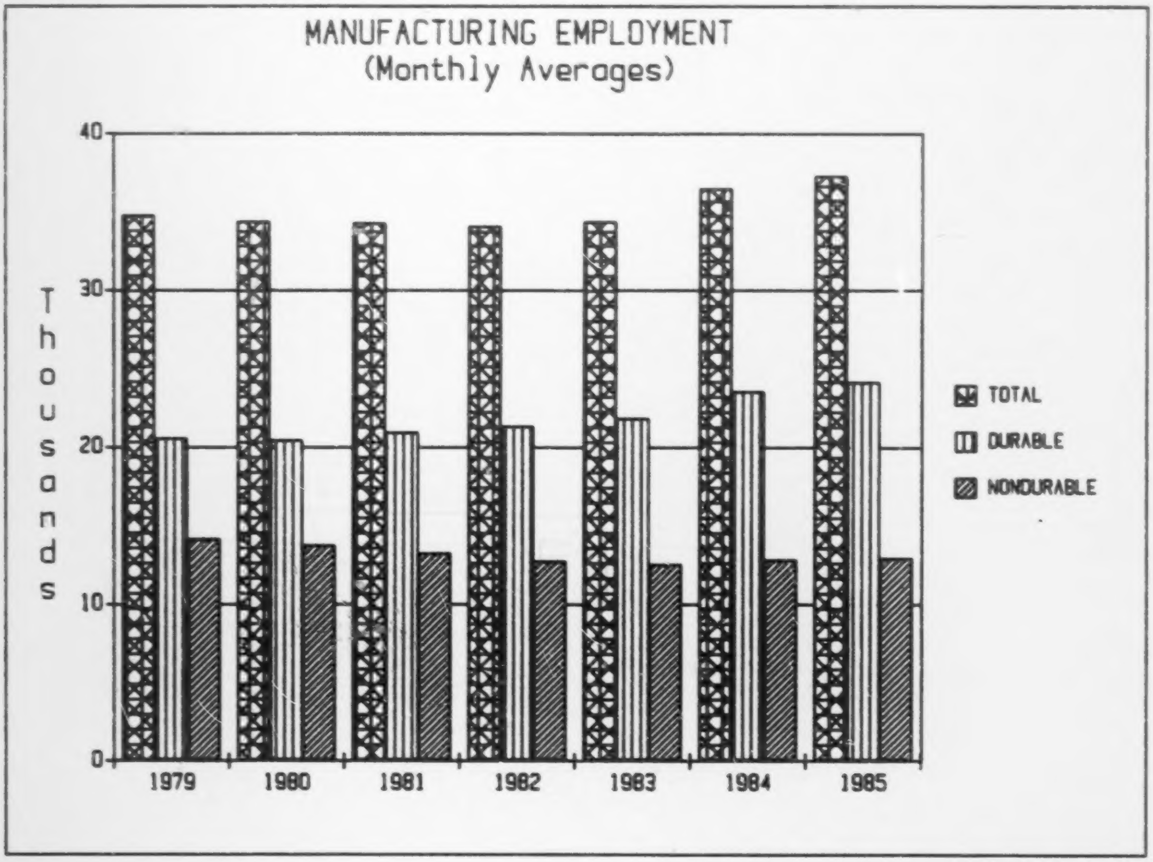
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.



TRANSPORTATION, COMMUNICATIONS AND UTILITIES

EMPLOYMENT IN TRANSPORTATION, COMMUNICATIONS AND UTILITIES IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985p	% Change 1984-1985
TOTAL	23,000	28,100	28,300	29,200	29,900	29,500	29,900	29,800	-0.3
Rail	2,700	3,000	3,100	3,100	2,500	2,300	2,400	2,400	0.0
Nonrail	7,300	9,300	8,900	9,300	9,500	9,400	10,100	10,400	3.0
Trucking & Warehousing	4,400	5,800	5,400	5,700	5,700	5,500	6,000	6,100	1.7
Other Transportation	2,900	3,500	3,500	3,600	3,800	3,900	4,100	4,300	4.9
Utilities & Communications	12,900	15,700	16,300	16,800	17,800	17,700	17,400	17,000	-2.3
Communication	6,100	7,200	7,500	7,500	8,000	8,000	7,700	7,300	-5.2
Electric & Gas Utilities	6,800	8,500	8,800	9,300	9,800	9,700	9,700	9,700	0.0

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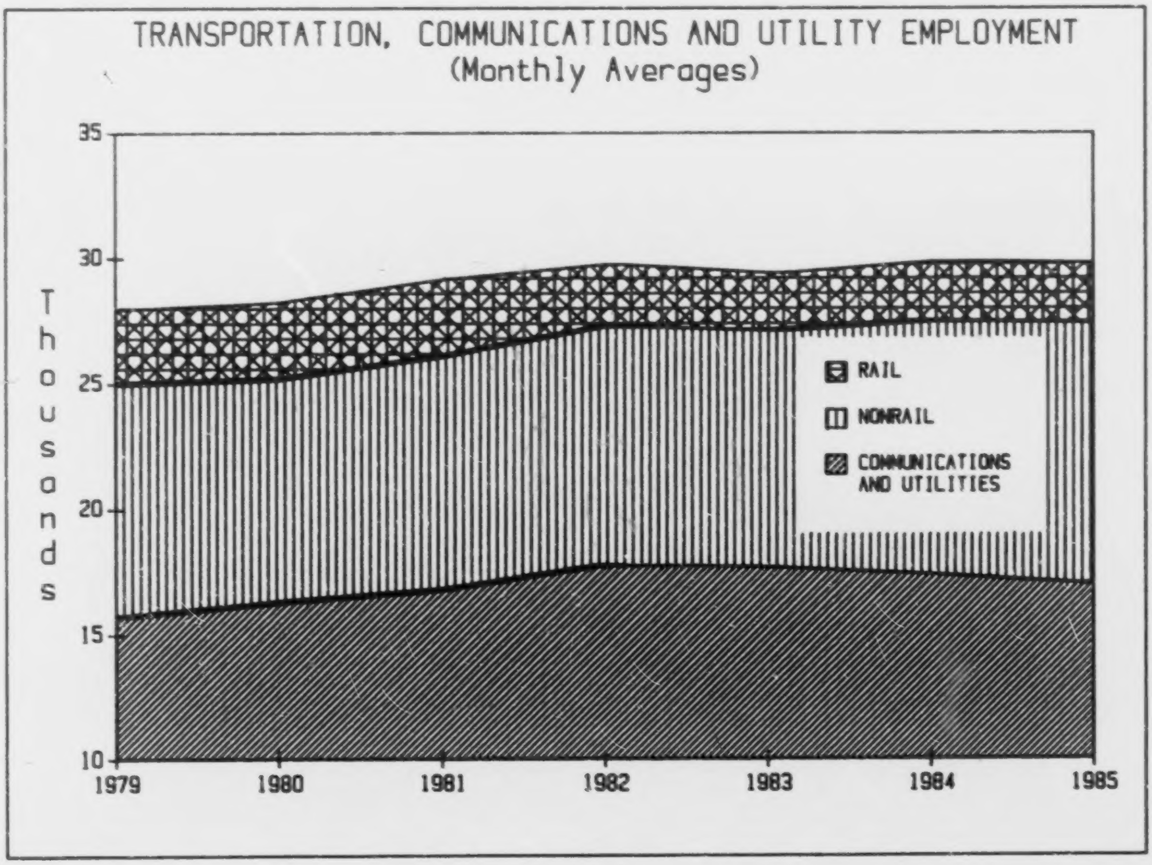
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.


TRANSPORTATION, COMMUNICATIONS AND UTILITY EMPLOYMENT
(Monthly Averages)

WHOLESALE AND RETAIL TRADE

WHOLESALE AND RETAIL TRADE EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
TOTAL	83,600	104,100	103,400	106,000	108,300	110,700	117,500	122,800	4.5
Wholesale	16,800	21,200	21,400	22,500	22,200	21,500	22,400	23,000	2.7
Retail	66,800	82,900	82,000	83,500	86,100	89,200	95,100	99,800	4.9
Average Weekly Hours[1]	36.2	35.2	35.0	35.2	35.7	35.4	32.2	33.0	2.5
Average Weekly Earnings[1]	$141.18	$193.60	$219.80	$235.14	$243.47	$249.22	$211.55	$219.45	3.7

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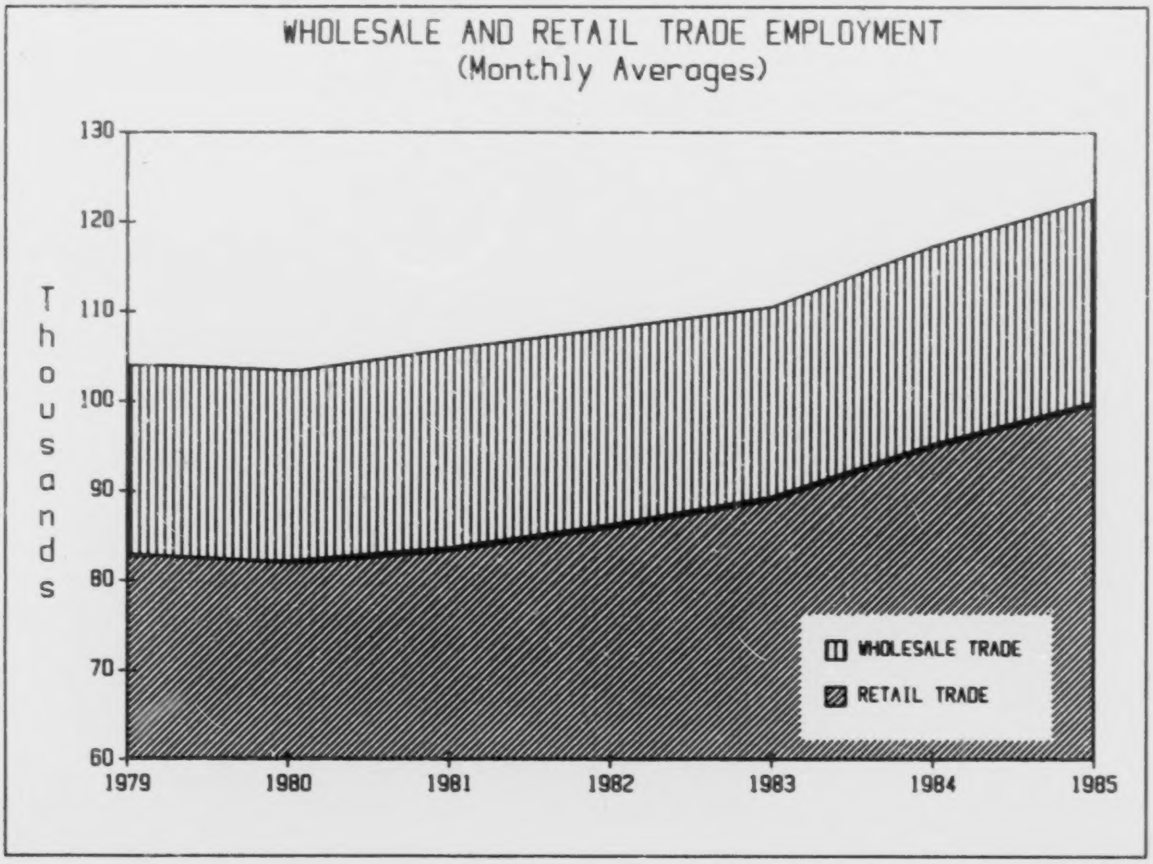
* Detail may not add up to total because of rounding.

p Preliminary.

[1] Sectors are combined. Excludes eating and drinking establishments through 1983.

Source: New Mexico Employment Security Department.


WHOLESALE AND RETAIL TRADE EMPLOYMENT
(Monthly Averages)

FINANCE, INSURANCE AND REAL ESTATE

FINANCE, INSURANCE AND REAL ESTATE EMPLOYMENT IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985p	% Change 1984-1985
TOTAL	16,300	21,200	21,100	21,500	21,900	23,200	24,700	25,600	3.6
Banking	5,400	6,900	7,000	7,400	7,700	8,100	8,300	8,300	0.0
Insurance Carriers, Agents & Brokers	4,000	5,400	5,400	5,400	5,400	5,500	5,800	6,100	5.2
Other Finance, Insurance & Real Estate	7,000	8,900	8,600	8,700	8,800	9,600	10,700	11,300	5.6

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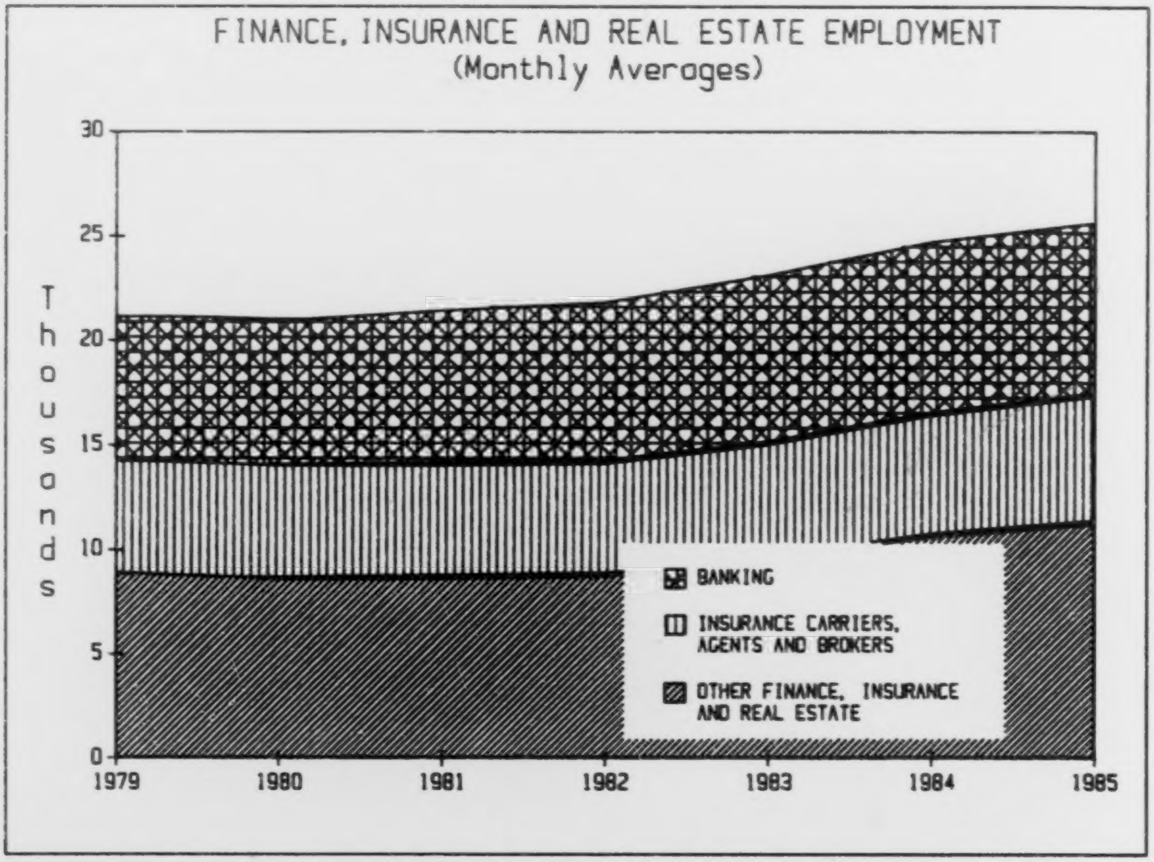
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.



FINANCIAL ACTIVITY
($ Millions)

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
FINANCIAL INSTITUTIONS									
Banks[1]									
Assets	$3,210	$5,035	$5,648	$6,328	$7,115	$8,057	$8,648	$9,182	6.2
Deposits	2,798	4,435	4,906	5,368	6,007	6,935	7,376	7,956	7.9
Gross Loans	1,687	3,005	3,102	3,400	3,816	4,253	5,000	5,466	9.3
Savings & Loan Associations[2]									
Deposits	$ na	$1,843	$2,064	$2,241	$2,408	$2,742	$3,268	3,862	18.2
New Savings Received	43	132	179	179	215	316	482	na	na
MISCELLANEOUS									
Life Insurance Sales	$ 919	$1,848	$2,112	$2,667	$3,354	$4,142	$4,194	$ na	na
New Business Incorporations	1,690	3,059	2,450	2,588	2,455	2,475	2,878	2,346[3]	na

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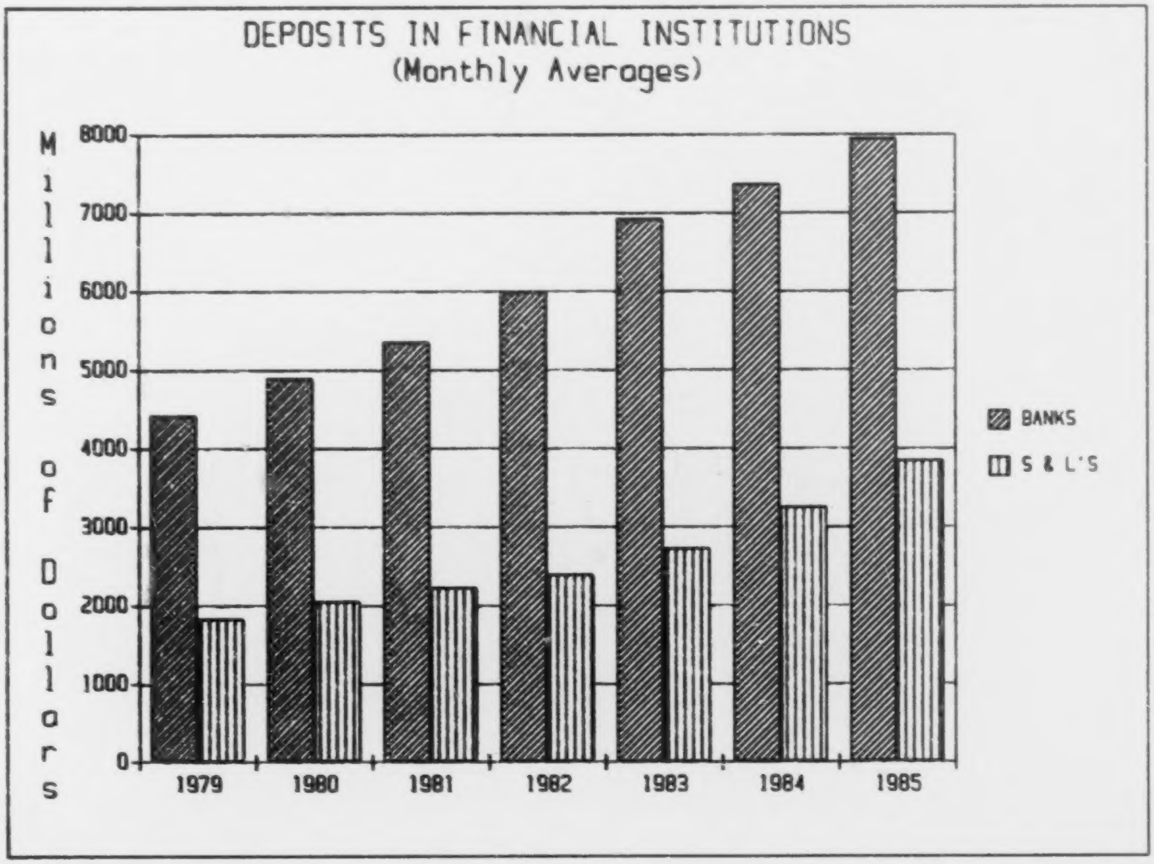
na Not available.
p Preliminary.
1 Midyear figures.
2 Monthly averages.
3 Total for the first ten (10) months of the year.
Source: The Federal Reserve Bank; Federal Home Loan Bank of Dallas; Life Insurance Fact Book, various issues; and Dun & Bradstreet, Inc.



SERVICES, RECREATION AND TOURISM

EMPLOYMENT IN SERVICES IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985^{p}	% Change 1984-1985
TOTAL	68,300	89,600	91,800	94,100	95,500	99,700	106,300	113,000	6.3
Lodging Establishments	8,300	9,600	9,700	9,900	10,200	10,300	10,600	11,100	4.7
Personal	4,300	4,500	4,600	4,600	4,800	5,100	5,600	5.900	5.4
Business	13,400	18,300	18,900	20,400	21,000	22,000	24,400	26,400	8.2
Medical	15,100	19,200	20,800	22,300	23,800	25,100	26,000	26,900	3.5
Social	7,100	10,400	10,300	8,900	6,600	6,600	7,000	7,100	1.4
Nonprofit Organizations	3,900	6,100	5,300	4,900	4,800	5,400	5,700	6,300	10.5
Other	16,300	21,500	22,200	23,100	24,200	25,200	27,100	29,200	7.7

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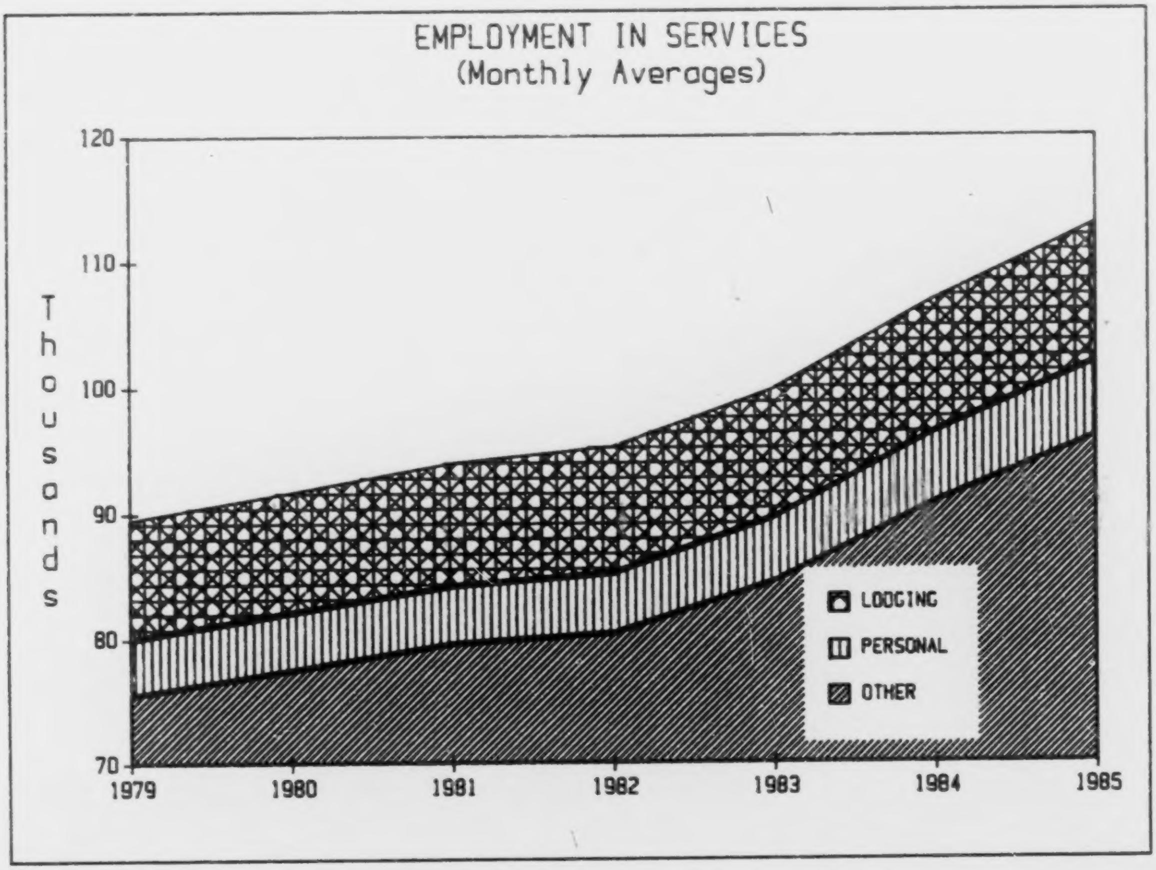
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.



INDICATORS OF RECREATION AND TOURISM IN NEW MEXICO

	1975	1979	1980	1981	1982	1983	1984	1985[p]	% Change 1984-1985
AVERAGE MONTHLY EMPLOYMENT									
Lodging Establishments	8,300	9,600	9,700	9,900	10,200	10,300	10,600	11,100	4.7
Eating & Drinking Places	18,500	26,200	26,500	27,800	29,500	31,500	33,700	35,200	4.5
VISITS TO NATIONAL PARKS & MONUNMENTS									
Annual Total	1,927,580	1,767,080	1,646,460	1,862,530	1,849,870	1,732,720	1,782,960	1,773,500	-0.5
Quarterly Total: I	225,440	285,960	222,940	264,240	262,700	243,460	255,030	232,870	-8.7
II	614,180	604,230	542,880	598,030	613,800	530,390	604,540	573,940	-5.1
III	841,540	653,650	645,060	709,360	721,830	712,230	665,670	691,290	3.8
IV	246,420	223,240	235,580	290,900	251,540	246,640	257,720	275,400	6.9
VISITS TO STATE PARKS									
Annual Total	1,683,663	4,099,007	3,679,620	4,502,456	4,951,065	5,323,311	5,332,883	5,619,812	5.4

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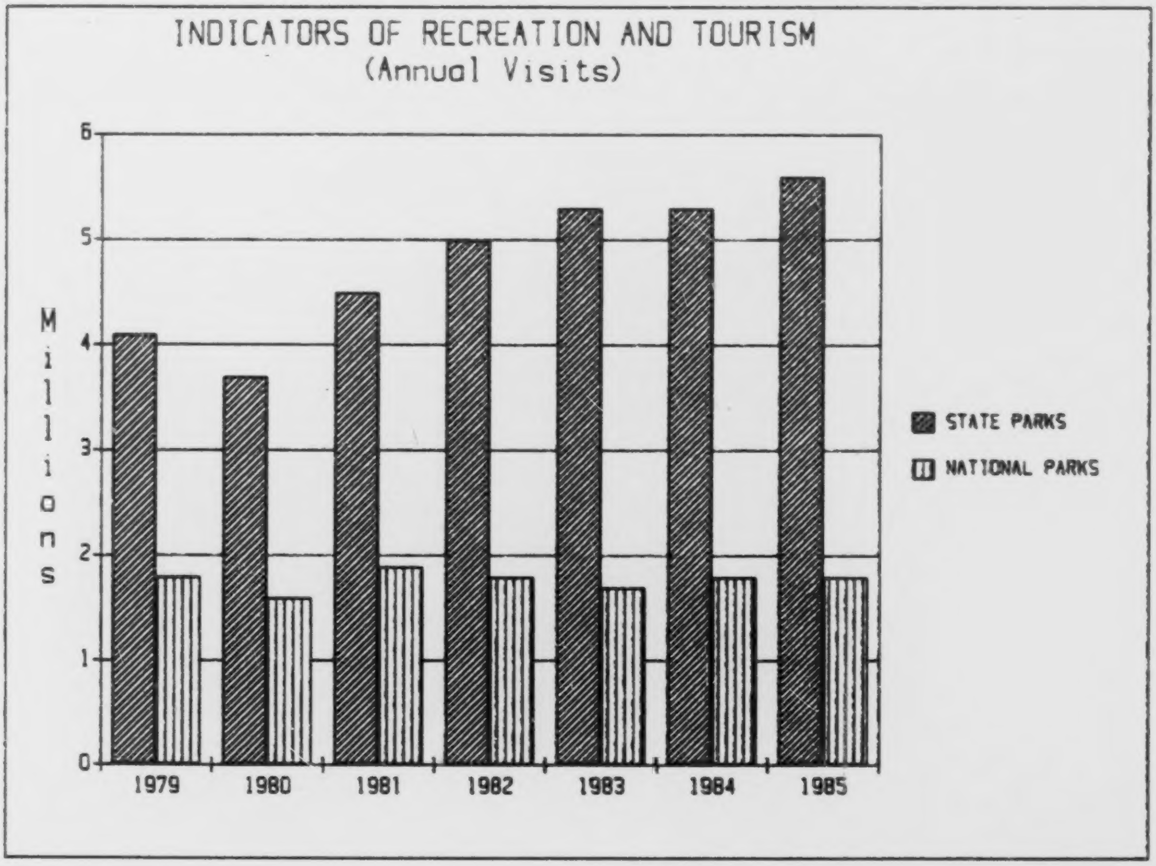
p Preliminary.

Source: New Mexico Employment Security Department; U.S. Department of the Interior, National Park Service; and the New Mexico Natural Resources Department, Park and Recreation Division.



GOVERNMENT EMPLOYMENT

CIVILIAN EMPLOYMENT IN GOVERNMENT IN NEW MEXICO*
(Monthly Averages)

	1975	1979	1980	1981	1982	1983	1984	1985p	% Change 1984-1985
TOTAL	104,800	120,500	125,000	125,800	125,600	127,200	129,700	132,000	1.8
Federal	28,600	29,400	30,200	29,900	29,200	29,100	29,700	29,700	0.0
State & Local	76,200	91,200	94,700	96,000	96,300	98,100	100,000	102,300	2.3
State	32,100	40,600	42,700	44,100	43,100	43,600	44,600	46,200	3.6
Local	44,100	50,600	52,000	51,900	53,200	54,500	55,400	56,100	1.3

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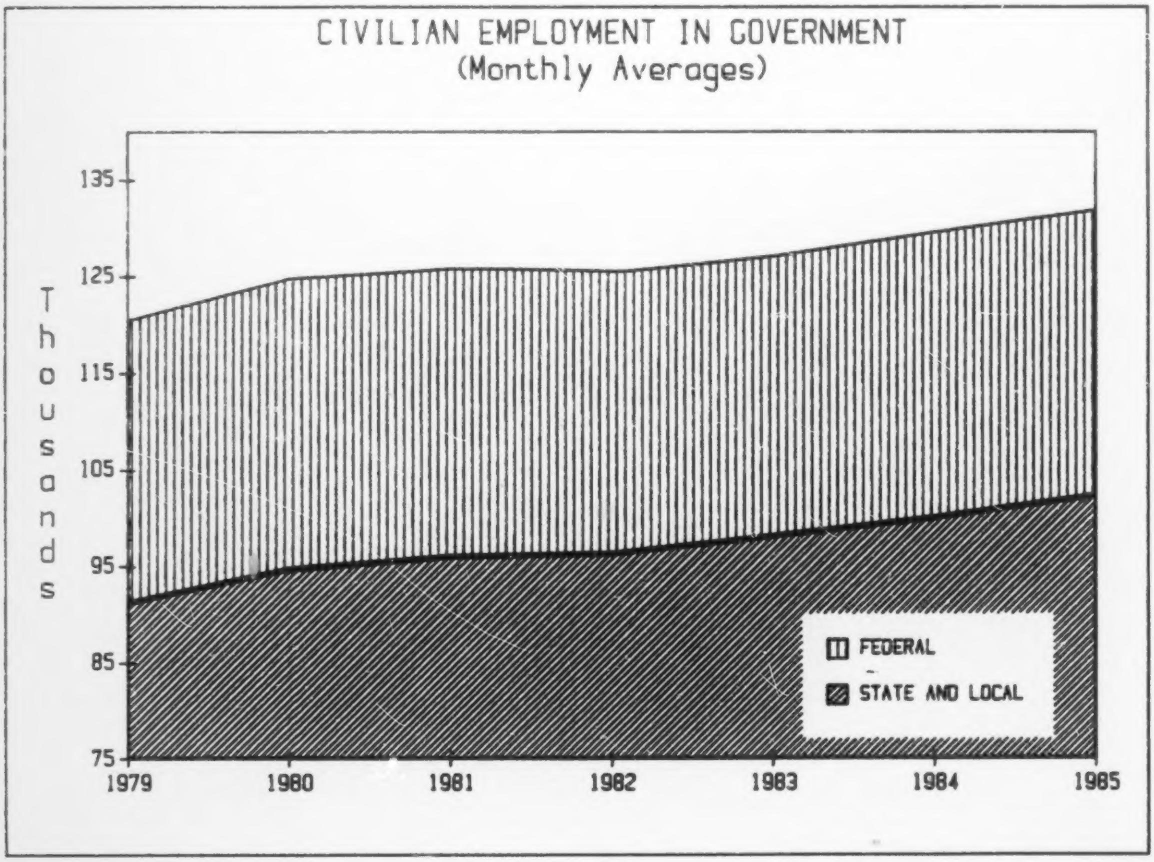
* Detail may not add up to total because of rounding.
p Preliminary.
Source: New Mexico Employment Security Department.



Good News-Bad News: The 1985 State Population Estimates

At mid-decade New Mexico was one of the 10 fastest-growing states. From 1980 to 1985, the state's population increased by 11.3 percent to a total of 1,450,000. Typically, all of the fastest-growing states are in the West or the South. Since 1970, these two regions have dominated population growth in the United States, including over 90 percent of the growth from 1980 to 1985. Regional trends, however, can mask variations among the states, and the growth of the West and the South does not represent a long-term demographic trend common to each of the 30 states, but the cumulative effect of short-term changes induced by economic conditions. And therein lies the bad news.

While the energy boom of the 1970s promoted economic and population growth in the energy-producing states of the West and South, the present decreases in prices of oil and natural gas and layoffs in the mining industries are effecting a decrease in that growth. Table A (below) compares the average annual rates of population change, 1980-85 to 1984-85, for the major energy-producing states and shows the *initial* effects of the current economic conditions.

A weak economic outlook for 1986, including further decreases in oil and natural gas prices, portends further abatement of the growth—and the effects of Gramm-Rudman cuts, which are just beginning, can only be speculated now. However, the dependency of the New Mexico economy upon federal spending indicates more reductions. The Bureau of Business and Economic Research (BBER) estimates that approximately 15 to 20 percent of the jobs in New Mexico are directly dependent upon federal spending. By comparison, employment in the mining industries comprises less than 5 percent of total nonagricultural employment.

Current economic conditions have slowed net in-migration to New Mexico to less than 6,000 annually. Population growth was sustained, 1984-85, by natural increase (births minus deaths), which contributed over 75 percent of total growth. The relative contribution of net migration to state population growth has decreased from over 50 percent in the 1970s to about 35 percent, 1980-85, and down to 25 percent, 1984-85. The current deceleration of net migration would be even more significant by comparison with the 1980-83 period; however, the estimates are not consistent.

Revisions in the methodology, which have been included first with the 1984-85 state estimates, have increased the estimated net in-migration to New Mexico by incorporating estimates of undocumented immigration. Population estimates are being adjusted now to include not only estimates of undocumented aliens, but also revised estimates of emigration from the United States. Based upon data from the April, 1983, Current Population Survey (which included special questions on immigration and citizenship), documented immigration is estimated at a net of 200,000 per year; emigration, at 160,000 annually by the U.S. Bureau of the Census. The national estimates are distributed locally on the basis of patterns of legal immigration from 1975 to 1980. Although the net effect of these revisions on national population estimates is nominal, local adjustments may be more significant. Revisions will also affect estimates by age since emigrants tend to be older and undocumented aliens, younger.

Revised estimates of state populations by age, 1980-85, are expected to be released by the Census Bureau in April. For a comparison of New Mexico's resident population with other mountain states, see Table B below. For more information about the state population estimates, contact the Data Bank, 277-6626.

Lynn Bodin Wombold
Senior Demographer

A. COMPARATIVE RATES OF POPULATION CHANGE: SELECT STATES

State	July 1, 1985 (Provisional)	July 1, 1984	April 1, 1980 (Census)	Average Annual Change	
				1984–85	1980–85
New Mexico	1,450,000	1,426,000	1,303,000	1.67%	2.04%
Texas	16,370,000	16,083,000	14,229,000	1.77%	2.67%
Oklahoma	3,301,000	3,310,000	3,025,000	-0.27%	1.66%
Louisiana	4,481,000	4,461,000	4,206,000	0.45%	1.21%
Alaska	521,000	505,000	402,000	3.12%	4.94%

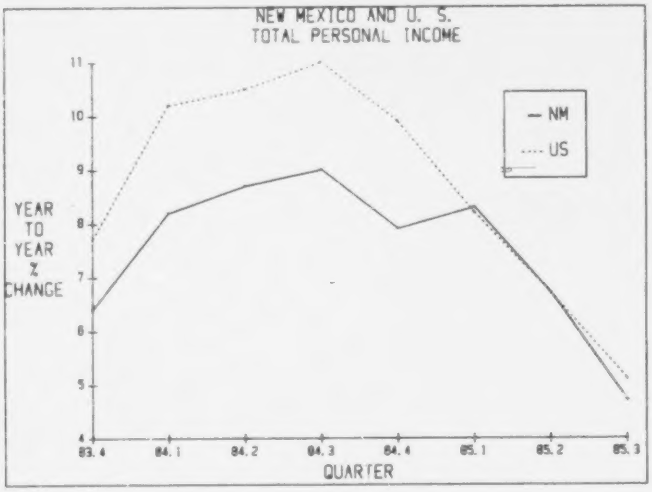
Source: U.S. Department of Commerce, Bureau of the Census

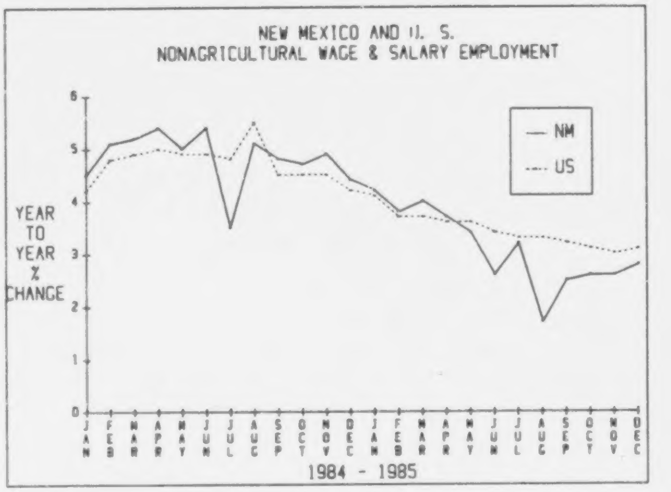
B. ESTIMATES OF THE RESIDENT POPULATION OF SELECT STATES

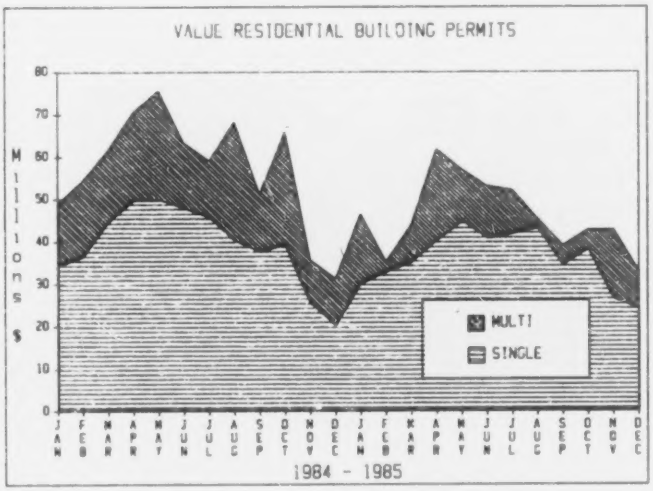
State	July 1, 1985 (Provisional)	July 1, 1984	April 1, 1980 (Census)	Average Annual Change	
				1984–85	1980–85
Mountain:					
Montana	826,000	823,000	787,000	0.36%	0.92%
Idaho	1,005,000	999,000	944,000	0.60%	1.19%
Wyoming	509,000	513,000	470,000	–0.78%	1.52%
Colorado	3,231,000	3,190,000	2,890,000	1.28%	2.12%
New Mexico	1,450,000	1,426,000	1,303,000	1.67%	2.04%
Arizona	3,187,000	3,072,000	2,718,000	3.68%	3.03%
Utah	1,645,000	1,623,000	1,461,000	1.35%	2.26%
Nevada	936,000	917,000	800,000	2.05%	2.99%

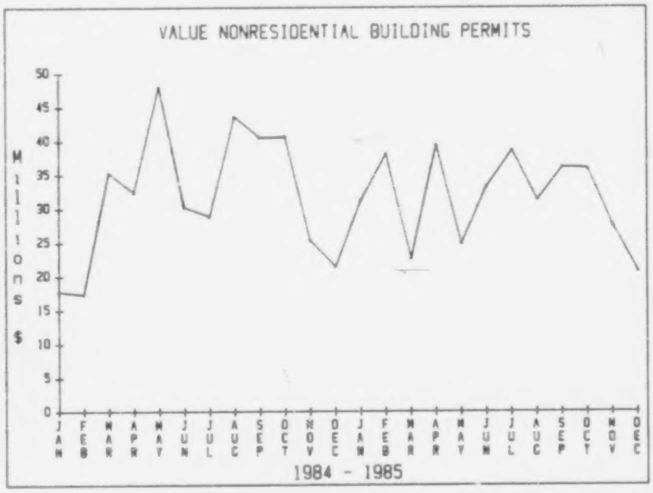
Source: U.S. Department of Commerce, Bureau of the Census

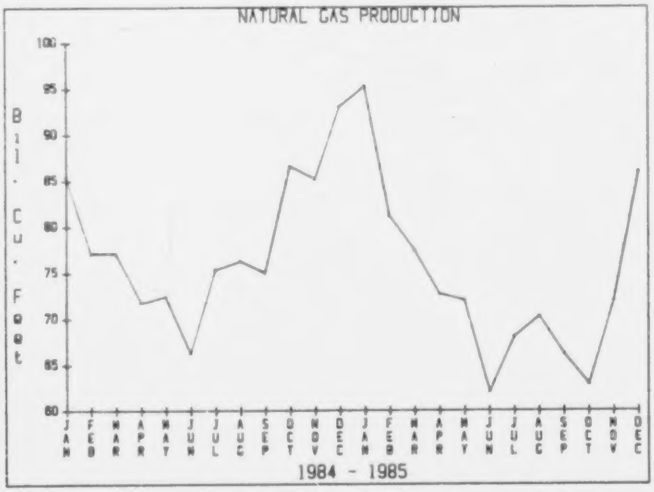
ECONOMIC TRENDS IN NEW MEXICO

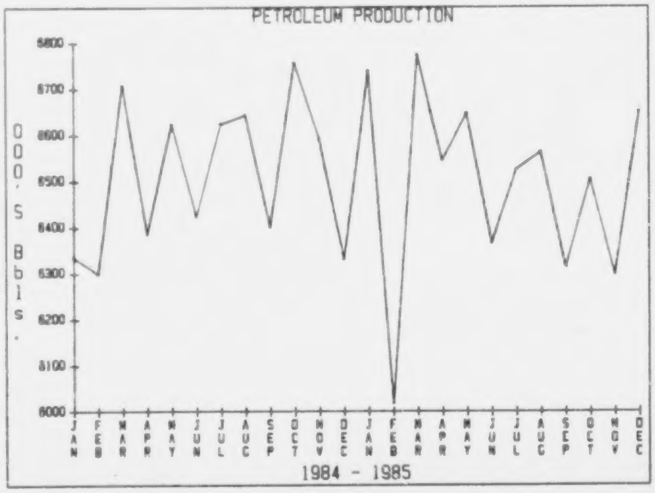












U.S. ECONOMIC INDICATORS

	CURRENT		% CHANGE	PREVIOUS
	MO/QTR	DATA	YEAR AGO	MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Dec 85	327.4	3.8	326.6
Food and beverages	Dec 85	305.6	2.8	303.6
Housing	Dec 85	355.8	4.3	355.0
Apparel and upkeep	Dec 85	209.0	2.9	211.2
Transportation	Dec 85	324.0	2.6	323.2
Medical care	Dec 85	414.7	6.7	413.0
Entertainment	Dec 85	268.3	3.2	269.0
Other goods and services	Dec 85	336.5	6.3	335.3
Revised series, wage earners and clerical workers (1967=100)				
All items	Dec 85	323.4	3.6	322.6
Gross national product* ($Bil. constant)	IV 85	3605.0	2.6	3584.1
Prime interest rate** (% per annum)	Dec 85	9.5	-11.6	9.5
Mortgage interest rate*** (% per annum)	Nov 85	11.0	-13.6	11.1
3 month treasury bill# (% per annum)	Dec 85	7.1	-13.3	7.2
Industrial production## (1977=100)	Nov 85	125.1	1.4	124.4
Manufacturers new orders## ($Bil.)	Oct 85	195.4	4.7	197.3

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Dec 85	595.9	1.6	597.3	108,063	1.8	108,282
Unemployment rate (%)	Dec 85	8.7	10.2	8.6	6.7	-4.3	6.7
Nonagricultural employment (000)	Dec 85	526.9	2.9	526.0	99,712	3.2	99,590
Personal income### ($Mil.)	III 85	15,543	4.7	15,456	3,211,584	5.1	3,190,683
Housing units permitted							
Single	Dec 85	374	8.7	415	59,152	22.6	65,283
Multi	Dec 85	336	-31.1	691	68,427	24.9	55,022

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
1. GENERAL				
Civilian labor force* (000)	Dec 85	652.6	2.4	653.7
Total employment* (000)	Dec 85	595.9	1.6	597.3
Unemployment* (000)	Dec 85	56.7	11.9	56.4
Unemployment rate (%)	Dec 85	8.7	10.2	8.6
Weekly new unemployment insurance claims	Dec 85	1591.0	3.3	1480.0
Nonagricultural wage/salary employment**(000)	Dec 85	526.9	2.9	526.0
New business incorporations	Oct 85	183.0	-27.6	208.0
Personal income*** ($ mil.)	III 85	15543.0	4.7	15456.0
2. AGRICULTURAL RECEIPTS				
Livestock and products ($ mil.)	Nov 85	105.0	0.4	72.9
Crops ($ mil.)	Nov 85	52.0	-2.2	32.2
Total ($ mil.)	Nov 85	157.0	-0.5	105.1
3. MINING				
Employment** (000)	Dec 85	20.0	-10.7	20.2
Average hourly earnings ($)	Dec 85	12.20	2.6	11.90
Petroleum production (000 bbls.)	Dec 85	6650.8	5.1	6297.4
Natural gas production (bil. cu. ft.)	Dec 85	86.0	-7.6	72.0
Coal production (000 short tons)	Dec 85	1603.0	14.6	1399.0
Oil well completions&	Dec 85	61.0	-11.5	95.0
Gas well completions&	Dec 85	30.0	-16.6	86.0
Total footage drilled&& (000)	Dec 85	600.1	-3.3	1087.6
Oil sales ($ mil.)	Oct 85	174.4	-4.8	152.9
Gas sales ($ mil.)	Oct 85	152.6	-30.1	166.7
4. CONSTRUCTION				
Employment** (000)	Dec 85	35.6	0.9	37.1
Average hourly earnings ($)	Dec 85	11.30	4.7	10.70
Residential units permitted	Dec 85	710.0	-16.8	1106.0
Residential building permits ($ mil.)	Dec 85	33.0	5.5	42.9
Nonresidential building permits ($ mil.)	Dec 85	20.7	-3.2	27.5
Residential construction contracts ($ mil.)	Dec 85	50.8	20.4	50.1
Nonresidential construction contracts ($mil.)	Dec 85	29.6	-64.6	43.1
Nonbuilding construction contracts ($ mil.)	Dec 85	25.3	50.6	36.5
5. TRANSPORTATION/COMMUNICATION/UTILITIES				
Employment** (000)	Dec 85	29.9	-2.2	29.8
Average hourly earnings## ($)	Dec 85	11.30	4.7	11.40
6. MANUFACTURING				
Employment** (000)	Dec 85	37.5	1.1	37.7
Average hourly earnings ($)	Dec 85	8.70	1.2	8.50
Electric & electronic equipment employment** (000)	Dec 85	6.5	-4.4	6.6
Transportation equipment employment** (000)	Dec 85	4.3	22.9	4.3
Food & kindred products employment** (000)	Dec 85	4.1	-2.3	4.2
Textile & apparel employment** (000)	Dec 85	2.4	0.0	2.4
Lumber & wood products employment** (000)	Dec 85	2.6	0.0	2.6

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
7. TRADE				
Wholesale employment** (000)	Dec 85	23.1	2.3	23.2
Retail employment** (000)	Dec 85	106.6	7.3	104.4
Average hourly earnings ($)	Dec 85	6.70	3.1	6.40
8. FINANCE/INSURANCE/REAL ESTATE				
Employment** (000)	Dec 85	25.6	0.8	25.5
Bank average hourly earnings ($)	Dec 85	5.80	5.5	5.70
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8
Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6
S & L total assets ($ mil.)	Dec 85	4999.1	14.6	4792.5
S & L total deposits ($ mil.)	Dec 85	4136.4	16.4	4063.5
S & L new mortgage loans closed&&& ($ mil.)	Dec 85	116.0	-47.6	101.5
9. SERVICES AND TOURISM				
Total service employment** (000)	Dec 85	114.2	6.2	113.5
Lodging employment** (000)	Dec 85	11.4	14.0	11.2
Eating & drinking places employment** (000)	Dec 85	35.9	5.6	35.8
Visits to state parks (000)	Dec 85	173.7	12.7	273.1
Visits to national parks/monuments (000)	Dec 85	75.5	12.2	81.5
Passenger traffic at Albuquerque airport@ (000)	Dec 85	336.5	13.2	294.8
Lodgers tax receipts ($ 000)	III 85	1995.1	N	
Lodging occupancy rates (%)	Dec 85	41.7	-14.1	50.9
10. GOVERNMENT				
Total government employment** (000)	Dec 85	134.4	1.8	134.6
Federal employment** (000)	Dec 85	28.7	-3.0	28.9
State employment** @@ (000)	Dec 85	48.1	4.8	48.3
Local employment** (000)	Dec 85	57.6	1.8	57.4
Total general fund revenues@@@ ($ mil.)	Dec 85	106.1	4.5	93.9

N Not available.
Note: selected data items subject to revision.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* OCT-DEC	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* JUL-SEP
Alamogordo	$ 13,886	5.7	$ 14,057
Albuquerque	236,165	20.5	220,675
Artesia	5,994	15.8	6,271
Carlsbad	13,453	12.9	13,926
Clovis	15,335	3.9	15,586
Deming	4,277	2.6	4,763
Espanola	7,181	11.0	8,045
Farmington	30,524	10.0	28,825
Gallup	22,485	12.9	20,763
Hobbs	20,598	-4.4	21,752
Las Cruces	32,802	5.8	32,612
Las Vegas	5,631	13.3	6,270
Los Alamos	6,055	11.3	6,591
Lovington	4,063	-26.1	5,102
Portales	5,781	-3.9	7,035
Roswell	18,138	-4.1	19,093
Ruidoso	5,293	0.0	7,697
Santa Fe	46,206	16.1	47,503
Silver City	7,682	16.3	8,380
Taos	6,943	13.8	8,104
State total	640,198	11.4	641,598

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	DEC. 1985	DEC. 1984	CUMULATIVE TOTAL THROUGH DEC. 1985	1984	DEC. 1985	DEC. 1984	CUMULATIVE TOTAL THROUGH DEC. 1985	1984
RESIDENTIAL								
Alamogordo	19	15	252	398	$ 870	$ 393	$ 11,189	$ 12,439
Albuquerque	241	328	5,088	7,617	11,770	14,618	208,578	271,670
Carlsbad	2	3	76	109	151	79	3,837	5,413
Clovis	8	10	146	108	372	481	7,847	4,939
Farmington	8	9	135	162	240	319	4,816	6,237
Hobbs	1	0	35	50	95	0	2,386	4,034
Las Cruces	168	24	726	1,123	4,472	1,046	29,382	45,078
Los Alamos	7	6	112	221	802	755	12,226	11,834
Rio Rancho**	74	61	1,326	942	3,514	3,148	73,369	50,321
Roswell	5	7	102	173	423	270	5,712	8,444
Ruidoso	6	5	134	375	458	476	10,230	27,189
Santa Fe	20	227	597	1,290	1,274	3,752	27,056	49,212
NONRESIDENTIAL								
Alamogordo	14	4	121	134	311	11	2,410	5,050
Albuquerque	6	27	226	428	6,152	5,282	131,091	122,861
Carlsbad	2	7	148	196	5	69	2,508	1,883
Clovis	3	2	37	76	594	2,197	5,416	5,541
Farmington	2	1	38	21	135	42	3,536	2,880
Hobbs	3	1	16	24	303	31	2,320	5,308
Las Cruces	3	14	156	298	292	2,027	18,678	14,775
Los Alamos	1	1	35	70	0	15	156	552
Rio Rancho**	1	1	33	29	55	46	9,681	8,756
Roswell	6	7	124	193	47	501	1,540	8,330
Ruidoso	4	1	36	112	268	4	6,367	10,513
Santa Fe	14	7	188	158	177	381	35,611	47,166

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**		
	DEC. p	% CHANGE YEAR AGO	NOV. r	DEC. p	% CHANGE YEAR AGO	NOV. r	DEC. p	% CHANGE YEAR AGO	NOV. r
TOTAL CIVILIAN LABOR FORCE	652.6	2.4	653.7	245.8	3.2	244.4	51.4	4.3	53.1
Employment***	595.9	1.6	597.3	229.9	2.8	228.1	47.5	4.0	48.9
Unemployment	56.7	11.9	56.4	15.9	9.0	16.2	3.8	5.6	4.1
Unemployment rate (%)	8.7	10.2	8.6	6.5	6.6	6.6	7.5	2.8	7.8
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	526.9	2.9	526.0	224.6	4.6	223.7	38.4	5.3	38.2
Mining	20.0	-10.7	20.2	0.3	0.0	0.3	N	N	N
Contract construction	35.6	0.9	37.1	18.4	13.6	18.8	2.5	4.2	2.5
Manufacturing	37.5	1.1	37.7	19.3	0.6	19.4	3.2	-8.5	3.3
Durable goods	24.4	0.9	24.6	13.7	-0.7	13.7	1.4	0.0	1.4
Nondurable goods	13.1	1.6	13.1	5.6	3.8	5.7	1.8	-14.2	1.9
Transportation & public utilities	29.9	-2.2	29.8	12.4	2.5	12.2	1.4	0.0	1.4
Trade	129.7	6.4	127.6	58.7	4.9	57.8	8.3	13.7	8.0
Wholesale	23.1	2.3	23.2	14.2	1.5	14.3	0.9	12.5	0.9
Retail	106.6	7.3	104.4	44.5	6.0	43.5	7.4	13.9	7.1
Finance, insurance, & real estate	25.6	0.8	25.5	13.5	5.5	13.5	1.5	7.2	1.5
Services	114.2	6.2	113.5	58.1	6.7	57.7	5.5	7.9	5.5
Government	134.4	1.8	134.6	43.9	0.3	44.0	16.0	3.9	16.0
Federal	28.7	-3.0	28.9	12.2	0.0	12.2	4.7	4.5	4.7
State	48.1	4.8	48.3	13.0	1.6	13.2	6.2	3.4	6.2
Local	57.6	1.8	57.4	18.7	-0.5	18.6	5.1	4.1	5.1

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Includes labor disputes.

Source: New Mexico Employment Security Department.

New Mexico and Albuquerque Economies: A Comparison

Much of New Mexico's economic activity is concentrated in the Albuquerque Metropolitan Statistical Area (Bernalillo County) where slightly more than 30 percent of the state's population resides. Several situational factors encourage Albuquerque's dominant role. The city is centrally located at the crossroads of two major interstate highways and is home of the state's only major international airport. Albuquerque is also home of the University of New Mexico, Kirtland Air Force Base and Sandia National Laboratories. Several large electronic manufacturers have also moved into the area over the past few years.

Figures 1 and 2 illustrate the dominance of Albuquerque in the New Mexican economy. Approximately half of the state's 1985 employment in manufacturing, services and finance, insurance and real estate (FIRE) was located in Bernalillo County. Bernalillo County claimed almost half of 1983 statewide earnings in four major sectors—manufacturing, trade, services and FIRE. More than 40 percent of the state's total nonagricultural employment is located in the Albuquerque metropolitan area and earnings in the Albuquerque area account for more than 40 percent of total statewide earnings.

The composition of the Albuquerque economy is quite different from the rest of the state. Albuquerque does not have any mining activity to speak of and is less dependent on the government and agriculture sectors. Because of these compositional differences, regional disparity in economic performance has become even more pronounced over the past few years. It is evident from both employment and earnings data that there has been considerable variation in economic growth by sector. For example, from 1980 to 1984, earnings in the mining sector decreased 8.8 percent and farm income decreased 43.4 percent as compared to a 57.5 percent growth rate in the services sector during the same time period. Employment in the mining sector decreased 29.9 percent between 1980 and 1985 and government employment increased only 5.6 percent. Over this same time period, the service, trade and FIRE sectors experienced 23.1, 18.8 and 21.3 percent growth, respectively. Fig-

(Continued on Page 30)

New Mexico and Albuquerque

(Continued from Page 29)

ures 3 and 4 illustrate the growth disparity between Albuquerque and the rest of the state in both employment and income. Albuquerque's nonagricultural employment increased 20.1 percent from 1980 to 1985. In contrast, nonagricultural employment in the rest of the state increased only 5.7 percent. Between 1980 and 1983 income increased 35.5 percent in Albuquerque as compared to a 27.3 percent increase for areas outside of Albuquerque.

It is likely that Albuquerque's economy will continue to outperform the rest of the state. The depressed condition of the agriculture sector will continue to be a drag on New Mexico's rural economy. The weakened state of the mining sector will also have adverse effects on areas outside of Albuquerque. With layoffs in the potash and Molybdenum industries and falling oil and gas prices, the mining sector will suffer further declines. Finally, cut backs in government spending due to budget deficits will further exacerbate regional economic disparity, since the government sector represents more than 29 percent of nonagricultural employment outside the Albuquerque area.

Jule A. Urban
Economist

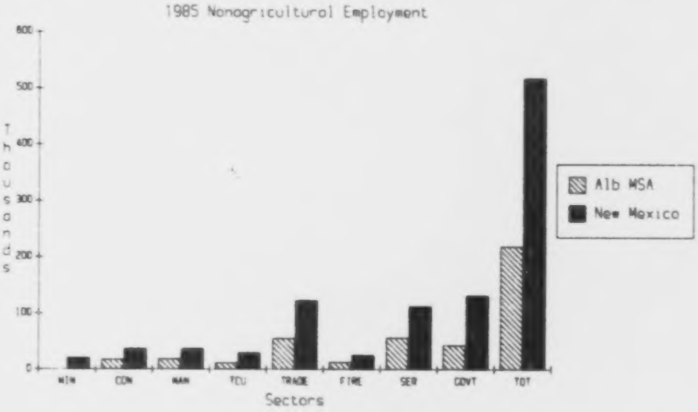


Figure 1

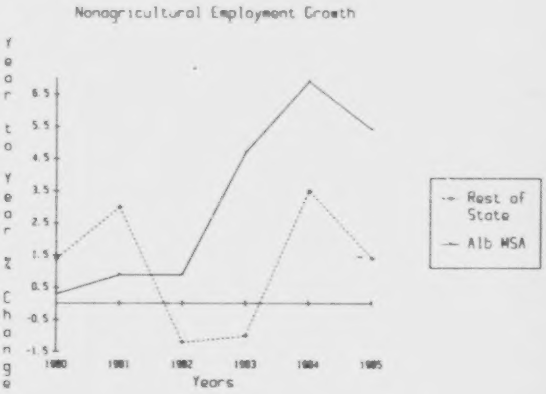


Figure 3

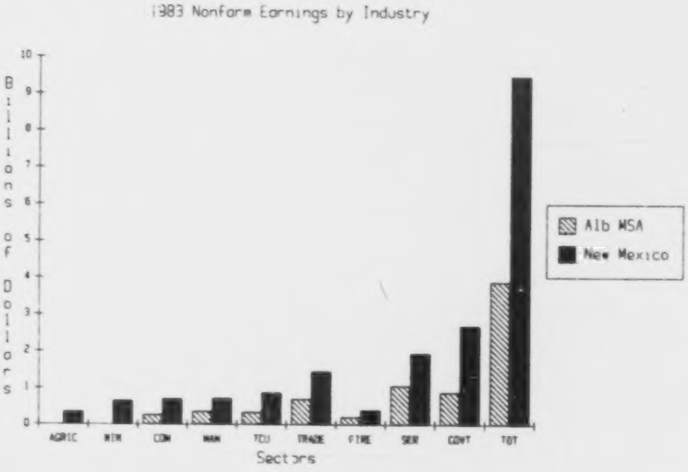


Figure 2

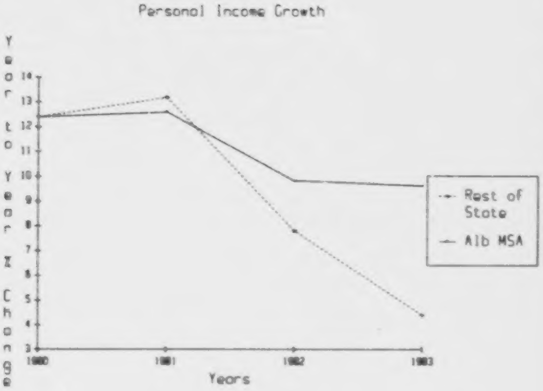


Figure 4

Job Opening at New Mexico Taxation and Revenue Department

Tax Research Director:

THE NEW MEXICO TAXATION AND REVENUE DEPARTMENT, Santa Fe, New Mexico, is accepting applications for the position of Director of Tax Research. The successful candidate is expected to provide tax policy advice to the Secretary of the Department, supervise and conduct studies and technical analyses of tax policy issues, participate in revenue forecasting and supervise the publication of statistical reports pertaining to tax information. Applicants should have an advanced degree in economics with emphasis on public finance and a background in statistics. Previous public sector and supervisory experience is helpful. Salary is negotiable, depending on qualifications. Resumes should be addressed to: Vickie L. Fisher, Secretary, Taxation and Revenue Department, P.O. Box 630, Santa Fe, NM 87509. For further information on the position, contact James P. O'Neill, Asssistant Secretary, (505) 988-2290.

Bureau of Business and Economic Research
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Albuquerque, NM 87131
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4/28/86 u7980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 2
March 1986

Current Economic Developments in New Mexico

The U.S. economy is flirting with stronger growth as oil prices, interest rates, and the dollar all tumble. Manufacturers will especially benefit from lower oil price inputs and the sliding dollar which will boost exports. Accordingly, Data Resources Inc. (DRI) anticipates exports to rebound, increasing 5.5 percent for 1986, then to takeoff in 1987. Consumers will also benefit from lower energy prices, with more disposable income available to stimulate the goods producing sector. Residential construction, meanwhile, will be stimulated by lower interest rates as the T-Bill rate dips below 7.0 percent during the year. Inflation, too, looks dormant with the Consumer Price Index projected to rise a mild 2.6 percent in 1986, compared to a 3.5 percent increase during 1985. Congress also appears near to passing reductions in the federal deficit, thus able to reach Gramm Rudman's first year target.

Disposable income in January rose 0.2 percent and the savings rate increased to 4.0 percent. Industrial production increased 2.5 percent in January over year ago levels, led by a 5.4 percent advance in consumer goods while the durable goods sector softened. Housing starts jumped 15.7 percent during January to 2.09 million units, the highest level in two years.

The economy, though, has its feeble sectors with slower nonresidential construction, negative corporate profits, and weaker government spending, that will be particularly evident in military outlays and in state and local government spending. The gain in real gross national product during the second half of 1985 was a mild 2.1 percent. In summary, the national forecast shows that the credit and energy sensitive sectors will benefit most from plummeting oil prices, deficit reduction, and a diving dollar. Despite their high debt burden, consumers, as a result of higher disposable income, will add impetus for somewhat stronger real economic growth in 1986, now projected by DRI at 2.6 percent.

The national economic scene presents a mixed, mostly negative picture for New Mexico. Hard hit by the plunge in oil prices (and revenue), the state's large government sector will be restrained from contributing to growth. The government sector and dependent industries are projected to be weak this year. With Congress expected to reduce the deficit, federal spending will dampen, and state and local government in New Mexico will tighten spending as a result of reduced federal aid to communities and lower energy related revenues. Yet a rebounding manufacturing sector later in the year and an interest rate driven single family housing market will allow for some upbeat activity in the state.

Nonagricultural employment in New Mexico grew by 14,300 jobs in January, relative to year ago figures—a 2.9 percent increase. But the state's unemployment rate climbed from 8.7 percent in December to 9.2 percent in January. Personal income in the state increased 4.7 percent during the third quarter of 1985 compared to a year ago. New Mexico, along with its oil producing neighbors, will reel from the effects of plunging oil prices.

New Mexico's mining sector has been the most volatile and will continue to follow this trend. Employment in January fell 9.1 percent from a year ago to 19,800 workers in the depressed sector, and more layoffs are on the horizon. Molycorp, for instance, laid off 500 workers at its Questa molybdenum mine in late February.

The southeastern part of the state also was jolted by 50 layoffs at Amax Chemical and 65 layoffs at N-Ren Southwest, an anhydrous ammonia plant near Carlsbad. Lundberg Industries (also near Carlsbad), however, reopened its potash operation early in March but will require a smaller workforce than previously worked at the site when it was operated by Potash Company of America. In the Farmington area, San Juan Coal will open the La Plata mine that is eventually expected to employ 150. Contrary to much of the energy scene, oil and coal production increased in January over December. Both gas and oil well completions registered whopping increases in January as drillers raced to put the product onto the market. This activity occurred before the full effect of the oil price crash was felt.

Manufacturing employment in New Mexico fell by 600 jobs in January from last month and increased just 1.4 percent compared to a year ago. Transportation and textile industries registered a decrease in jobs during January; nevertheless transportation equipment employment gained 17.2 percent over year ago levels. Transportation Manufacturing Corporation, citing a lull in bus demand, temporarily furloughed 450 workers at its Roswell plant, but expects to rehire the workers in April. In Albuquerque, Gulton Industries announced it would hire 70 people as a result of a large contract with Martin Marietta. Again, because of favorable conditions appearing for manufacturing nationwide, Albuquerque's electronics industry ought to turn around later in the year as the dollar declines, energy prices drop, and interest rates fall—a boon for future capital spending.

Employment in construction also fell in January by 1,000 jobs. Compared to a year ago, the sector increased 0.9 percent.

(Continued on page 8)

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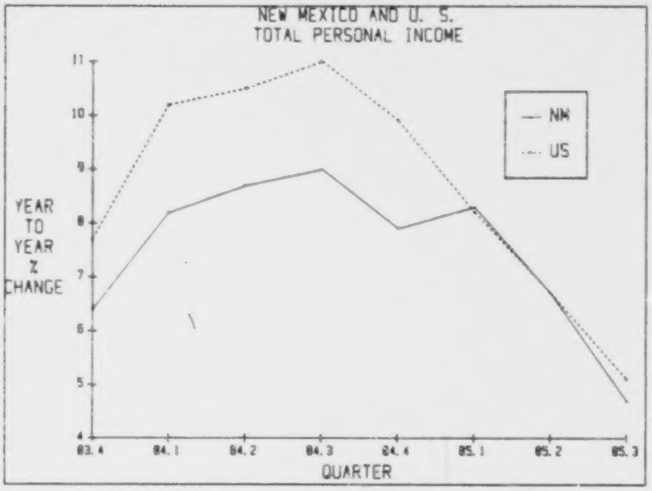
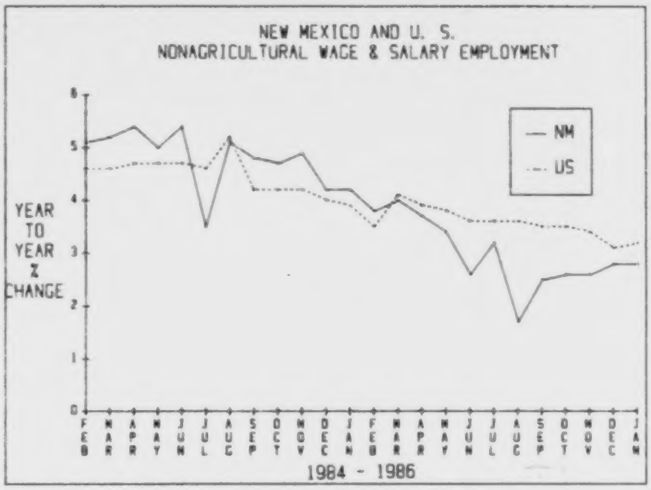
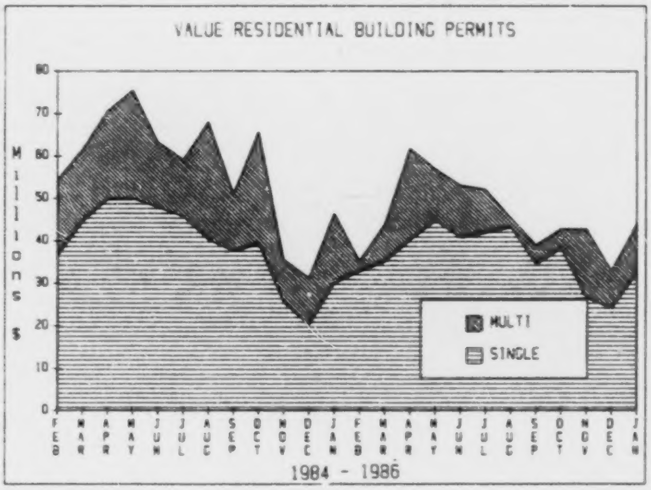
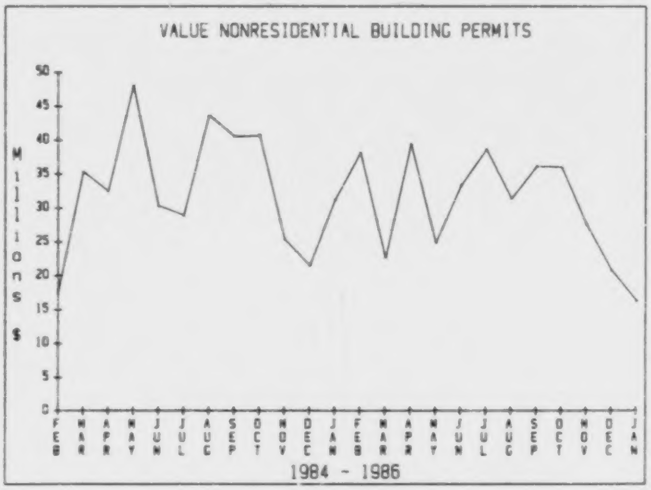
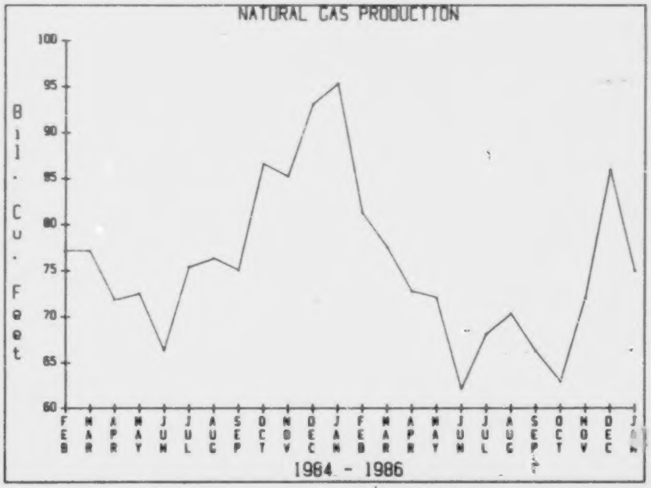
ECONOMIC TRENDS IN NEW MEXICO

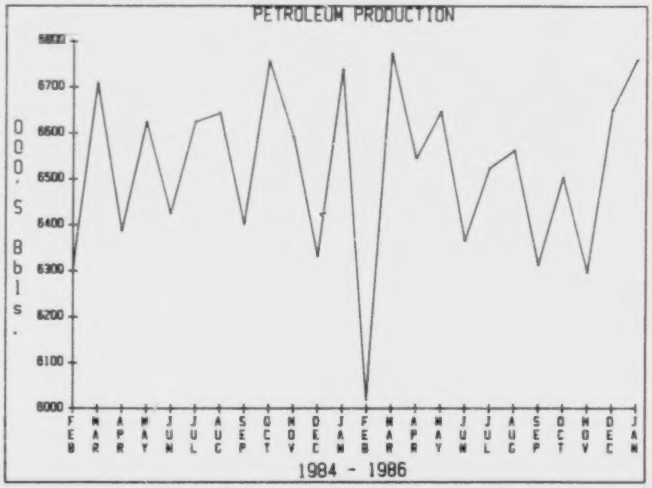












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jan 86	328.4	3.9	327.4
Food and beverages	Jan 86	307.9	2.9	305.6
Housing	Jan 86	356.8	4.3	355.8
Apparel and upkeep	Jan 86	205.0	2.6	209.0
Transportation	Jan 86	323.9	2.9	324.0
Medical care	Jan 86	418.2	6.9	414.7
Entertainment	Jan 86	270.8	3.8	268.3
Other goods and services	Jan 86	339.1	6.3	336.5
Revised series, wage earners and clerical workers (1967=100)				
All items	Jan 86	324.3	3.7	323.4
Gross national product* ($Bil. constant)	IV 85	3605.0	2.6	3584.1
Prime interest rate** (% per annum)	Jan 86	9.5	-9.5	9.5
Mortgage interest rate*** (% per annum)	Jan 86	10.9	-11.4	10.9
3 month treasury bill# (% per annum)	Jan 86	7.0	-9.2	7.1
Industrial production## (1977=100)	Dec 85	126.0	2.2	125.1
Manufacturers new orders## ($Bil.)	Dec 85	202.1	4.4	196.9

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jan 86	590.0	2.7	595.9	106,959	2.6	108,063
Unemployment rate (%)	Jan 86	9.2	3.4	8.7	7.3	-8.7	6.7
Nonagricultural employment (000)	Jan 86	519.2	2.9	526.9	98,046	3.2	99,729
Personal income### ($Mil.)	III 85	15,543	4.7	15,456	3,211,584	5.1	3,190,683
Housing units permitted							
Single	Jan 86	525	8.3	374	65,306	19.8	59,152
Multi	Jan 86	683	18.2	336	53,190	7.4	68,427

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
	MO/QTR	DATA			
1. GENERAL					
Civilian labor force* (000)	Jan 86	649.5	3.0	652.6	2.7
Total employment* (000)	Jan 86	590.0	2.7	595.9	1.2
Unemployment* (000)	Jan 86	59.5	6.3	56.7	20.9
Unemployment rate (%)	Jan 86	9.2	3.4	8.7	18.7
Weekly new unemployment insurance claims	Jan 86	2134.0	12.6	1591.0	-2.1
Nonagricultural wage/salary employment**(000)	Jan 86	519.2	2.9	526.9	3.0
New business incorporations	Dec 85	233.0	-4.8	264.0	-1.2
Personal income*** ($ mil.)	III 85	15543.0	4.7	15456.0	6.9
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Nov 85	105.0	0.4	72.9	4.1
Crops ($ mil.)	Nov 85	52.0	-2.2	32.2	14.8
Total ($ mil.)	Nov 85	157.0	-0.5	105.1	7.6
3. MINING					
Employment** (000)	Jan 86	19.8	-9.1	20.0	-5.0
Average hourly earnings ($)	Jan 86	12.90	8.5	12.20	4.4
Petroleum production (000 bbls.)	Jan 86	6759.8	0.4	6650.8	-0.7
Natural gas production (bil. cu. ft.)	Jan 86	74.9	-21.4	86.0	-8.9
Coal production (000 short tons)	Jan 86	1648.0	-21.8	1603.0	-7.2
Oil well completions&	Jan 86	147.0	56.4	61.0	8.9
Gas well completions&	Jan 86	73.0	128.2	30.0	55.1
Total footage drilled&& (000)	Jan 86	1395.5	74.9	600.1	19.7
Oil sales ($ mil.)	Nov 85	162.5	-5.3	174.4	-10.5
Gas sales ($ mil.)	Nov 85	178.1	-19.0	152.6	-5.2
4. CONSTRUCTION					
Employment** (000)	Jan 86	34.6	0.9	35.6	1.0
Average hourly earnings ($)	Jan 86	11.00	5.8	11.30	2.9
Residential units permitted	Jan 86	1208.0	13.7	710.0	-26.5
Residential building permits ($ mil.)	Jan 86	44.1	-5.1	33.0	-19.4
Nonresidential building permits ($ mil.)	Jan 86	16.2	-48.0	20.7	-7.6
Residential construction contracts ($ mil.)	Jan 86	42.1	-34.0	50.8	2.0
Nonresidential construction contracts ($mil.)	Jan 86	54.2	38.3	29.6	-18.4
Nonbuilding construction contracts ($ mil.)	Jan 86	11.4	-39.0	25.3	1.0
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jan 86	29.3	-1.6	29.9	-0.5
Average hourly earnings## ($)	Jan 86	10.60	-1.8	11.30	5.8
6. MANUFACTURING					
Employment** (000)	Jan 86	36.9	1.4	37.5	1.9
Average hourly earnings ($)	Jan 86	8.80	4.8	8.70	6.3
Electric & electronic equipment employment** (000)	Jan 86	6.6	-1.4	6.5	2.0
Transportation equipment employment** (000)	Jan 86	4.1	17.2	4.3	17.2
Food & kindred products employment** (000)	Jan 86	4.0	0.0	4.1	2.5
Textile & apparel employment** (000)	Jan 86	2.2	-8.3	2.4	-4.0
Lumber & wood products employment** (000)	Jan 86	2.6	4.0	2.6	-3.8

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
	MO/QTR	DATA			
7. TRADE					
Wholesale employment** (000)	Jan 86	22.9	1.4	23.1	2.7
Retail employment** (000)	Jan 86	102.3	7.7	106.6	5.2
Average hourly earnings ($)	Jan 86	7.00	4.5	6.70	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jan 86	25.9	3.6	25.6	3.2
Bank average hourly earnings ($)	Jan 86	5.80	5.5	5.80	3.8
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7	5.9
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
S & L total assets ($ mil.)	Dec 85	4999.1	14.6	4792.5	14.8
S & L total deposits ($ mil.)	Dec 85	4136.4	16.4	4063.5	18.2
S & L new mortgage loans closed&&& ($ mil.)	Dec 85	116.0	-47.6	101.5	4.7
9. SERVICES AND TOURISM					
Total service employment** (000)	Jan 86	113.8	5.0	114.2	6.3
Lodging employment** (000)	Jan 86	11.0	7.9	11.4	5.7
Eating & drinking places employment** (000)	Jan 86	34.7	5.5	35.9	4.8
Visits to state parks (000)	Dec 85	173.7	12.7	273.1	5.4
Visits to national parks/monuments (000)	Jan 86	73.8	61.9	75.5	1.6
Passenger traffic at Albuquerque airport@ (000)	Jan 86	285.6	5.5	336.5	10.7
Lodgers tax receipts ($ 000)	III 85	1995.1	N	0.0	N
Lodging occupancy rates (%)	Jan 86	44.8	-20.2	41.7	-4.7
10. GOVERNMENT					
Total government employment** (000)	Jan 86	133.7	1.6	134.4	1.8
Federal employment** (000)	Jan 86	28.7	-3.3	28.7	-0.6
State employment** @@ (000)	Jan 86	47.5	4.4	48.1	3.9
Local employment** (000)	Jan 86	57.5	2.0	57.6	1.3
Total general fund revenues@@@ ($ mil.)	Dec 85	106.1	4.5	93.9	-1.5

N Not available.

Note: selected data items subject to revision.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* NOV-JAN	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* AUG-OCT
Alamogordo	$ 15,102	7.3	$ 13,884
Albuquerque	254,617	16.0	227,081
Artesia	6,712	13.6	5,938
Carlsbad	14,758	13.1	13,031
Clovis	17,897	10.2	14,998
Deming	4,775	7.3	4,483
Espanola	7,805	12.8	7,301
Farmington	34,433	11.3	29,138
Gallup	23,113	10.2	20,708
Hobbs	22,161	-6.2	21,209
Las Cruces	36,566	3.4	32,150
Las Vegas	6,288	9.7	5,952
Los Alamos	6,402	12.8	6,227
Lovington	4,526	-24.9	4,523
Portales	6,016	-8.3	6,271
Roswell	20,535	1.5	18,213
Ruidoso	5,517	8.3	6,978
Santa Fe	50,086	17.1	47,718
Silver City	8,599	22.0	7,940
Taos	7,324	16.9	7,861
State total	685,799	9.8	635,099

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
			CUMULATIVE TOTAL THROUGH JAN.				CUMULATIVE TOTAL THROUGH JAN.	
	JAN. 1986	JAN. 1985	1986	1985	JAN. 1986	JAN. 1985	1986	1985
RESIDENTIAL								
Alamogordo	20	20	20	20	$ 995	$ 867	$ 995	$ 867
Albuquerque	772	590	772	590	20,873	23,263	20,873	23,263
Carlsbad	4	2	4	2	195	180	195	180
Clovis	6	10	6	10	351	388	351	388
Farmington	11	19	11	19	420	617	420	617
Hobbs	1	3	1	3	102	195	102	195
Las Cruces	44	68	44	68	2,487	2,899	2,487	2,899
Los Alamos	0	4	0	4	0	330	0	330
Rio Rancho**	76	92	76	92	4,222	5,050	4,222	5,050
Roswell	8	9	8	9	215	494	215	494
Ruidoso	76	12	76	12	2,713	974	2,713	974
Santa Fe	20	77	20	77	1,184	3,524	1,184	3,524
NONRESIDENTIAL								
Alamogordo	6	9	6	9	32	264	32	264
Albuquerque	6	41	6	41	6,826	11,871	6,826	11,871
Carlsbad	6	7	6	7	44	14	44	14
Clovis	6	2	6	2	305	1,638	305	1,638
Farmington	1	3	1	3	60	215	60	215
Hobbs	6	1	6	1	716	74	716	74
Las Cruces	14	18	14	18	1,661	1,831	1,661	1,831
Los Alamos	1	3	1	3	0	5	0	5
Rio Rancho**	1	1	1	1	190	220	190	220
Roswell	9	7	9	7	47	52	47	52
Ruidoso	0	4	0	4	0	311	0	311
Santa Fe	0	8	0	8	0	1,313	0	1,313

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA#		
	JAN. p	% CHANGE YEAR AGO	DEC. r	JAN. p	% CHANGE YEAR AGO	DEC. r	JAN. p	% CHANGE YEAR AGO	DEC. r	JAN. p	% CHANGE YEAR AGO	DEC. r
TOTAL CIVILIAN LABOR FORCE	649.5	3.0	652.6	245.6	3.6	245.8	51.5	6.2	51.4	60.7	6.7	60.5
Employment***	590.0	2.7	595.9	229.5	3.6	229.9	47.5	6.8	47.5	57.1	6.4	57.4
Unemployment	59.5	6.3	56.7	16.1	3.9	15.9	4.0	2.6	3.8	3.6	12.5	3.1
Unemployment rate (%)	9.2	3.4	8.7	6.6	0.0	6.5	7.7	-4.9	7.5	5.9	5.4	5.1
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	519.2	2.9	526.9	221.4	3.5	224.6	38.0	5.6	38.2	50.5	5.5	51.0
Mining	19.8	-9.1	20.0	0.3	50.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	34.6	0.9	35.6	17.8	9.3	18.4	2.5	4.2	2.5	3.0	-6.2	3.4
Manufacturing	36.[illegible]	1.4	37.5	19.2	2.2	19.3	2.9	-12.1	3.0	1.6	6.7	1.6
Durable goods	[illegible]	2.6	24.4	13.7	1.5	13.7	1.2	0.0	1.2	0.9	0.0	0.9
Nondurable goods	12.7	-0.7	13.1	5.5	3.8	5.6	1.7	-19.0	1.8	0.7	16.7	0.7
Transportation & public utilities	29.3	-1.6	29.9	12.0	-0.8	12.4	1.4	0.0	1.4	1.1	0.0	1.2
Trade	125.2	6.5	129.7	56.9	4.6	58.7	8.0	11.2	8.3	9.6	14.3	10.0
Wholesale	22.9	1.4	23.1	14.1	0.8	14.2	0.9	12.5	0.9	0.7	16.7	0.7
Retail	102.3	7.7	106.6	42.8	6.0	44.5	7.2	12.5	7.4	8.9	14.2	9.3
Finance, insurance, & real estate	25.9	3.6	25.6	13.4	3.9	13.5	1.5	14.3	1.5	2.0	5.3	2.0
Services	113.8	5.0	114.2	57.9	4.6	58.1	5.6	12.0	5.5	12.1	0.0	12.3
Government	133.7	1.6	134.4	43.9	0.0	43.9	16.1	6.0	16.0	21.0	6.6	20.4
Federal	28.7	-3.3	28.7	12.3	-0.8	12.2	4.7	2.2	4.7	1.5	-6.2	1.5
State	47.5	4.4	48.1	13.0	1.6	13.0	6.3	6.8	6.2	15.8	7.5	15.2
Local	57.5	2.0	57.6	18.6	-0.5	18.7	5.1	8.6	5.1	3.7	8.9	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

Source: New Mexico Employment Security Department.

* Bernalillo County.
** Dona Ana County.
*** Includes labor disputes.
# Santa Fe and Los Alamos County.

NUMBER OF BUSINESS ESTABLISHMENTS BY COUNTY*

	1984	% Change Year Ago	1983		1984	% Change Year Ago	1983
Bernalillo	12,003	3.7	11,575	McKinley	893	1.9	876
Catron	36	5.9	34	Mora	39	5.4	37
Chaves	1,556	3.6	1,502	Otero	910	5.7	861
Cibola	362	-1.6	368	Quay	296	3.9	285
Colfax	493	3.1	478	Rio Arriba	451	3.0	438
Curry	1,037	3.9	998	Roosevelt	337	4.0	324
De Baca	69	-9.2	76	Sandoval	556	22.5	454
Dona Ana	2,094	4.9	1,996	San Juan	1,926	0.8	1,911
Eddy	1,413	1.3	1,395	San Miguel	387	3.8	373
Grant	543	3.2	526	Santa Fe	2,818	7.5	2,622
Guadalupe	112	-0.9	113	Sierra	206	-2.8	212
Harding	24	0.0	24	Socorro	241	6.6	226
Hidalgo	106	3.9	102	Taos	679	1.8	667
Lea	1,828	-0.1	1,829	Torrance	146	19.7	122
Lincoln	574	6.3	540	Union	151	9.4	138
Los Alamos	373	7.5	347	Valencia	567	13.4	500
Luna	324	-1.8	330	Unallocated County	139	-6.7	149
				Total N.M.	33,689	3.9	32,428

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*Excludes government, railroad employees, and self employed. Establishments are defined as a physical location.

Source: U.S. Department of Commerce, Bureau of the Census, County Business Patterns.

Economic Developments . . .

(Continued from page 1)

Indicative of future sector activity, the value of building permits dropped 19.4 percent for residential and 7.6 percent for nonresidential construction over the last two twelve month averages.

Employment in retail trade declined by 4,300 jobs, mostly due to seasonal layoffs following the holidays. A shakeout is predicted in Albuquerque's competitive retail sector since its rapid growth has been out of proportion to the economy's overall rate of growth. In the financial, real estate, and insurance sector, savings and loan institutions displayed strong growth in assets and deposits over the last year. Meanwhile, within the tourism related sector, employment declined among lodging and eating and drinking places in January compared to December. Passenger traffic at Albuquerque International Airport was brisk, showing a 10.7 percent increase over the last two twelve month averages. However, employment prospects in the Transportation, Communications, and Public Utilities sector will face cutbacks as PNM implements a hiring freeze and with Mountain Bell's layoff of 50 employees in Albuquerque.

Employment growth was slight in New Mexico's government sector, increasing only 1.6 percent over a year ago. Within the sector, federal employment decreased 3.3 percent, but state employment spurted 4.4 percent, and local government jobs rose a mild 2.0 percent during the same period. Both of New Mexico's national laboratories recently were awarded federal contracts. Los Alamos National Laboratories received a potential $52.6 million contract to develop fusion power for commercial applications. Also at Los Alamos, Pan American World Services will replace the Zia Company as provider of services. The second large contract was awarded by the Pentagon to White Sands Missile Range which was selected for a Strategic Defense Initiative project. The linear accelerator will cost close to $1 billion to construct and have a $125 million operating budget. All told, New Mexico's government sector this year will be hamstrung by looming federal budget cuts that will likely slow defense outlays, by less direct federal aid to local governments, and by lower energy related state revenue.

Richard Zimmerman
Economist

COUNTY PROFILES NOW AVAILABLE

The Bureau of Business and Economic Research has tabulated two-page county profiles for each of New Mexico's 33 counties. Information has been updated through 1984, where possible. They contain figures on land area, climate, population (age, race, totals and projections), education, income, poverty, housing, employment, gross receipts, construction, agriculture, mining, finance and tourism. Each profile costs $.50 plus $3.00 postage and handling for mail out requests. For more information call the Data Bank at 277-6626.

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 3
April 1986

Current Economic Developments in New Mexico

The national economic outlook is upbeat. The economy received a shot in the arm through lower oil prices, helping both consumers and manufacturing. Consumers will boost spending because of more purchasing income due to lower energy costs and mortgage refinancings. The downward spiral in oil prices keeps inflationary expectations nearly dead, as the consumer price index increased at a slight 2.3 percent annualized rate from January to February. Just announced cuts in interest rates that were expected to level out promises good news for Wall Street and also means even lower bond yields, easing difficulties for debt ladened corporations. Residential housing construction is picking up with a 10.7 percent mortgage rate, the lowest rate in over a decade. The plunge in oil prices offsets the descending dollar, allowing more room for a noninflationary cut in interest rates. As evidence on the initial impact of a weaker dollar, imports fell 9.7 percent and exports rose 3.5 percent in February's trade scene over a month earlier.

New Mexico experienced weak nonagricultural job growth in February with a 2.4 percent rise over a year ago. Funding cutbacks in the government sector and job losses in construction, mining and utilities were largely responsible for the state's soft performance. New Mexico's unemployment, at 9.2 percent in February, hardly budged from January's 9.3 percent rate and last year's level. Personal income advanced 4.7 percent during the third quarter of 1985 compared to the third quarter in 1984. As an indicator of weakened activity, new business incorporations in the state fell 4.8 percent in December, 1985 against a year ago, and significantly, declined 12 percent from the previous month. New unemployment insurance claims rose a hefty 7.0 percent in February compared to a year ago but dropped 21 percent in February over January's claims. In contrast to the state's high unemployment rate, New Mexico's three MSA's have rates significantly below the state average, evidence that the urban centers are surpassing the rest of the state in job creation and performance.

The employment picture in Albuquerque was considerably brighter than for the state as the unemployment rate slipped from 6.6 percent in January to 6.2 percent in February. Furthermore, total nonagricultural employment increased by 1,200 jobs during February with the service and government sectors leading the advance. Seasonal job openings in horse racing and at tax firms accounted for the service sector's growth and rehiring of parttime university employees assisted employment gains within the government sector. Conversely, construction and retail employment fell by several hundred jobs. Over the past year the trade and services sector accounted for 70 percent of Albuquerque's job growth, with 600 jobs created in the hotel industry, 700 in business services, 600 in health services, and a whopping 3,000 jobs in retail trade.

The energy dependent southeastern section of the state got socked in February and March by layoffs in transportation and chemical manufacturing, oil and gas affiliated companies, and potash mining. However, the potash industry is currently experiencing a mild turnaround. Jobless rates from January to February climbed in Lea County from 6.1 to 7.6 percent, in Eddy County from 14.3 to 15.9 percent, and in Chaves County from 9.8 to 10.8 percent. Meanwhile, a wave of preliminary unemployment insurance claims in San Juan County (Farmington area) indicate widespread layoffs in the oil industry in that energy dependent part of the state. Oil and gas jobs sank by 1,300 while the mining sector registered a 7.1 percent drop in jobs from January to February. Mining lost 15.7 percent of its jobs compared to a year ago. The situation in the mining sector will get worse before improving. As evidence, Amoco in Farmington plans to cut its exploration budget in half from its current $80 million. There is, however, a revival in the potash industry as AMAX in Carlsbad reopened its mine in late March with 200 workers and Lundberg reopened its mine, employing 325 workers, with another hundred expected to be hired. The revival in potash results from three reasons: a lower dollar making U.S. industry more competitive, the need to replenish fertilizer stocks, and seasonal plantings with increased farm demand.

New Mexico's agriculture sector is displaying signs of reviving as shown by a significant 9.3 percent rise in total receipts—15.7 percent jump for crops and a 6.1 percent increase for livestock—in the last 12 month average compared to the previous average. A healthier farm sector certainly is welcome by farmers in eastern New Mexico and the Mesilla Valley.

In the construction sector, employment has declined 2.3 percent in February compared to last February's level. The dollar values of residential and nonresidential construction contracts fell steeply, 47.4 and 28.0 percent respectively, from last year's values. Nonbuilding contracts are up 67.5 percent compared to a year ago, though up just 5.9 percent when comparing the last 12 month average to the previous average. But both residential units permitted and their dollar value have risen remarkably compared to a year ago. Yet both are doing worse over the last 12 month average compared to the previous

(Continued on page 8)

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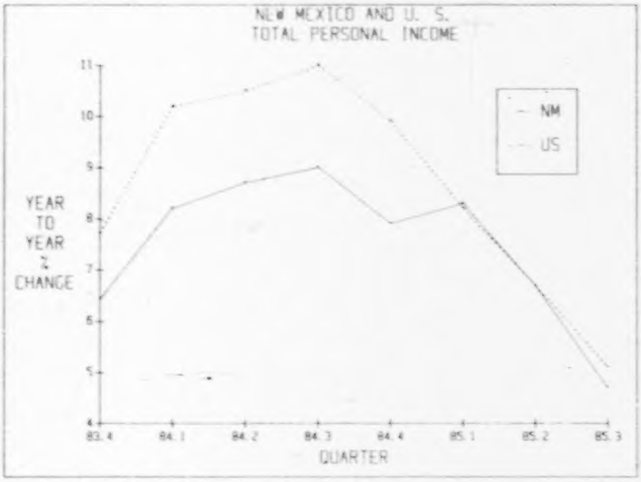
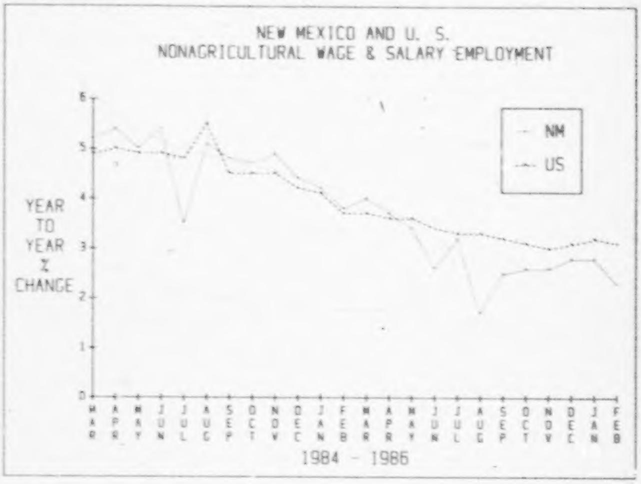
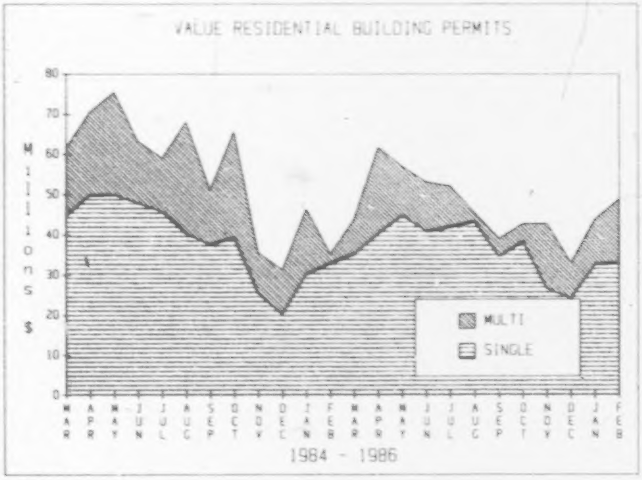
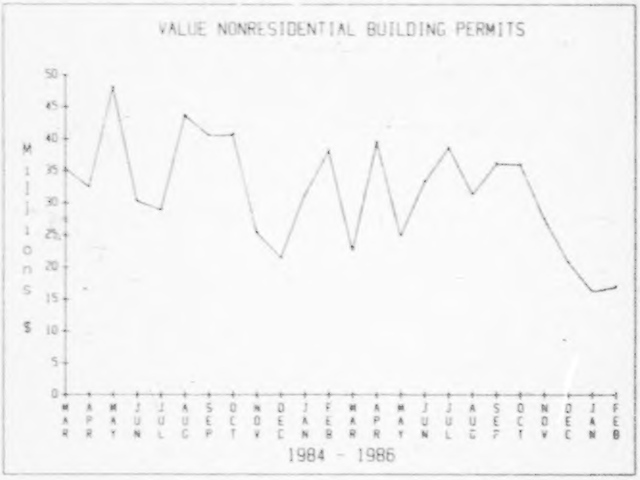
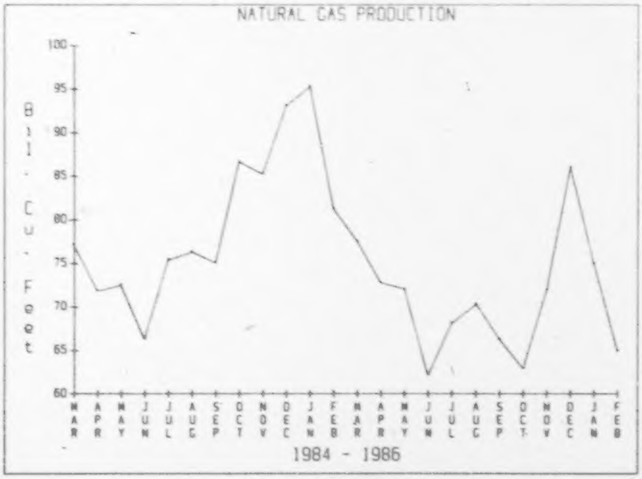
ECONOMIC TRENDS IN NEW MEXICO

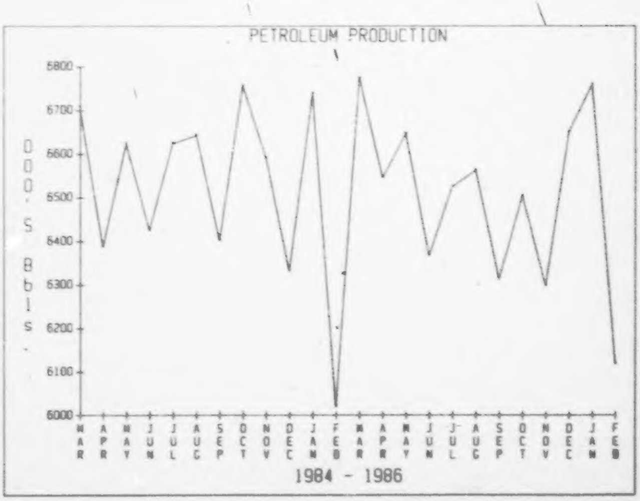












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Feb 86	327.5	3.2	328.4
Food and beverages	Feb 86	307.7	2.1	307.9
Housing	Feb 86	356.5	3.8	356.8
Apparel and upkeep	Feb 86	204.1	1.1	205.0
Transportation	Feb 86	319.2	1.6	323.9
Medical care	Feb 86	422.3	7.2	418.2
Entertainment	Feb 86	272.0	4.1	270.8
Other goods and services	Feb 86	340.3	6.2	339.1
Revised series, wage earners and clerical workers (1967=100)				
All items	Feb 86	323.2	3.0	324.3
Gross national product* ($Bil. constant)	IV 85	3590.8	2.2	3584.1
Prime interest rate** (% per annum)	Feb 86	9.5	-9.5	9.5
Mortgage interest rate*** (% per annum)	Feb 86	10.7	-12.4	10.9
3 month treasury bill# (% per annum)	Feb 86	7.0	-14.4	7.0
Industrial production## (1977=100)	Feb 86	125.7	1.7	126.5
Manufacturers new orders## ($Bil.)	Jan 86	201.4	3.2	201.2

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Feb 86	594.8	3.2	589.9	106,685	2.0	106,959
Unemployment rate (%)	Feb 86	9.2	1.1	9.3	7.8	0.0	7.3
Nonagricultural employment (000)	Feb 86	519.2	2.4	518.9	98,255	3.2	98,035
Personal income### ($Mil.)	III 85	15,543	4.7	15,456	3,211,584	5.1	3,190,683
Housing units permitted							
Single	Feb 86	534	2.3	525	60,615	7.3	65,306
Multi	Feb 86	698	486.6	683	48,379	7.9	53,190

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
	MO/QTR	DATA			
1. GENERAL					
Civilian labor force* (000)	Feb 86	654.9	3.3	650.1	2.7
Total employment* (000)	Feb 86	594.8	3.2	589.9	1.3
Unemployment* (000)	Feb 86	60.1	4.0	60.2	19.6
Unemployment rate (%)	Feb 86	9.2	1.1	9.3	17.2
Weekly new unemployment insurance claims	Feb 86	1691.0	7.0	2134.0	-0.8
Nonagricultural wage/salary employment**(000)	Feb 86	519.2	2.4	518.9	2.9
New business incorporations	Dec 85	233.0	-4.8	264.0	-1.2
Personal income*** ($ mil.)	III 85	15543.0	4.7	15456.0	6.9
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Dec 85	43.8	4.8	105.0	6.1
Crops ($ mil.)	Dec 85	52.9	50.3	48.9	15.7
Total ($ mil.)	Dec 85	96.7	25.5	153.9	9.3
3. MINING					
Employment** (000)	Feb 86	18.2	-15.7	19.6	-6.4
Average hourly earnings ($)	Feb 86	12.10	0.9	12.40	2.6
Petroleum production (000 bbls.)	Feb 86	6118.3	1.7	6759.8	-0.2
Natural gas production (bil. cu. ft.)	Feb 86	64.9	-20.0	74.9	-11.0
Coal production (000 short tons)	Feb 86	1508.0	-6.9	1648.0	-7.4
Oil well completions&	Feb 86	107.0	5.0	147.0	6.2
Gas well completions&	Feb 86	78.0	20.0	73.0	54.9
Total footage drilled&& (000)	Feb 86	1175.0	11.0	1395.5	16.7
Oil sales ($ mil.)	Dec 85	174.7	-0.9	162.5	-10.8
Gas sales ($ mil.)	Dec 85	200.9	-18.6	178.1	-7.9
4. CONSTRUCTION					
Employment** (000)	Feb 86	33.4	-2.3	34.1	0.5
Average hourly earnings ($)	Feb 86	11.90	12.3	10.40	3.9
Residential units permitted	Feb 86	1232.0	92.2	1208.0	-19.4
Residential building permits ($ mil.)	Feb 86	48.8	38.3	44.1	-15.0
Nonresidential building permits ($ mil.)	Feb 86	16.9	-55.6	16.2	-17.3
Residential construction contracts ($ mil.)	Feb 86	42.1	-47.4	49.8	-4.2
Nonresidential construction contracts ($mil.)	Feb 86	33.6	-28.0	54.2	-22.3
Nonbuilding construction contracts ($ mil.)	Feb 86	40.2	67.5	11.4	5.9
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Feb 86	29.1	-3.6	29.0	-1.0
Average hourly earnings## ($)	Feb 86	10.50	-1.8	11.10	4.8
6. MANUFACTURING					
Employment** (000)	Feb 86	36.9	1.4	36.8	1.7
Average hourly earnings ($)	Feb 86	8.40	2.5	8.60	5.0
Electric & electronic equipment employment** (000)	Feb 86	6.5	-4.4	6.5	0.4
Transportation equipment employment** (000)	Feb 86	4.0	8.2	4.1	17.2
Food & kindred products employment** (000)	Feb 86	4.1	5.2	4.1	2.5
Textile & apparel employment** (000)	Feb 86	2.4	0.0	2.3	-4.0
Lumber & wood products employment** (000)	Feb 86	2.5	4.2	2.5	-3.8

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Feb 86	22.9	1.4	22.9	2.7
Retail employment** (000)	Feb 86	101.7	8.1	102.7	5.6
Average hourly earnings ($)	Feb 86	7.10	4.5	6.80	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Feb 86	25.7	2.4	25.8	3.0
Bank average hourly earnings ($)	Feb 86	5.80	5.5	5.80	3.8
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7	5.9
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
S & L total assets ($ mil.)	Jan 86	5048.8	16.6	5000.3	14.8
S & L total deposits ($ mil.)	Jan 86	4159.9	16.6	4136.4	17.9
S & L new mortgage loans closed&&& ($ mil.)	Jan 86	110.4	-6.5	116.0	1.5
9. SERVICES AND TOURISM					
Total service employment** (000)	Feb 86	114.9	5.9	114.2	6.3
Lodging employment** (000)	Feb 86	11.4	14.0	11.5	7.6
Eating & drinking places employment** (000)	Feb 86	35.4	6.4	34.7	4.8
Visits to state parks (000)	Dec 85	173.7	12.7	273.1	5.4
Visits to national parks/monuments (000)	Feb 86	73.3	8.2	79.1	2.5
Passenger traffic at Albuquerque airport@ (000)	Feb 86	263.8	5.6	285.6	10.6
Lodgers tax receipts ($ 000)	III 85	1995.1	N	-	N
Lodging occupancy rates (%)	Feb 86	48.6	-22.2	44.8	-6.3
10. GOVERNMENT					
Total government employment** (000)	Feb 85	136.4	1.2	133.8	1.6
Federal employment** (000)	Feb 86	28.8	-3.3	28.9	-1.0
State employment** @@ (000)	Feb 86	49.4	3.8	47.3	3.8
Local employment** (000)	Feb 86	58.2	1.4	57.6	1.3
Total general fund revenues@@@ ($ mil.)	Jan 86	140.5	37.1	106.1	2.5

N Not available.
Note: selected data items subject to revision.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* DEC-FEB	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* SEP-NOV
Alamogordo	$ 15,072	8.4	$ 13,562
Albuquerque	249,190	13.2	230,572
Artesia	6,885	11.6	5,800
Carlsbad	14,387	11.1	12,831
Clovis	18,019	14.7	14,691
Deming	4,869	3.4	4,354
Espanola	7,296	5.0	7,200
Farmington	33,139	1.8	29,575
Gallup	21,175	4.2	22,162
Hobbs	21,724	-7.2	21,041
Las Cruces	35,837	0.6	32,425
Las Vegas	6,064	2.5	5,992
Los Alamos	6,357	8.3	6,432
Lovington	4,604	-23.7	4,326
Portales	5,813	-7.6	5,808
Roswell	20,965	5.6	18,020
Ruidoso	5,392	-7.4	6,208
Santa Fe	46,464	12.2	48,586
Silver City	7,296	3.7	7,865
Taos	6,784	3.0	7,769
State total	670,001	8.1	638,857

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	FEB. 86	FEB. 85	CUMULATIVE TOTAL THROUGH FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 85	FEB. 86	FEB. 85	CUMULATIVE TOTAL THROUGH FEB. 86	CUMULATIVE TOTAL THROUGH FEB. 85
RESIDENTIAL								
Alamogordo	34	21	54	41	$ 1,675	$ 941	$ 2,671	$ 1,808
Albuquerque	783	250	1,555	840	25,531	13,532	46,405	36,795
Carlsbad	4	4	8	6	213	197	407	378
Clovis	12	3	18	13	647	261	999	649
Farmington	7	10	18	29	267	315	687	931
Hobbs	8	7	9	10	363	373	465	568
Las Cruces	79	~~76~~	123	144	3,218	3,560	5,705	6,459
Los Alamos	5	5	5	9	455	600	455	930
Rio Rancho**	117	128	213	220	4,682	6,768	9,255	11,818
Roswell	7	11	15	20	242	866	457	1,360
Ruidoso	2	5	78	17	110	598	2,823	1,573
Santa Fe	17	16	37	39	1,546	1,134	2,730	2,287
NONRESIDENTIAL r								
Alamogordo	8	9	14	17	36	117	69	380
Albuquerque	6	19	12	54	3,482	24,313	10,308	36,127
Carlsbad	8	8	14	13	191	642	235	650
Clovis	1	5	7	6	34	1,058	339	2,694
Farmington	1	1	2	4	107	10	167	225
Hobbs	0	1	6	2	0	112	716	186
Las Cruces	14	14	28	29	849	398	2,510	2,225
Los Alamos	9	1	10	3	2,526	2	2,526	3
Rio Rancho**	2	2	3	3	518	120	708	340
Roswell	2	9	11	16	1	40	48	92
Ruidoso	1	1	1	4	1,147	785	1,147	1,093
Santa Fe	7	3	7	8	481	704	481	2,969

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** AMREP reported data.

r 1985 data is revised.

Sources: AMREP, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r	FEB. p	% CHANGE YEAR AGO	JAN. r
TOTAL CIVILIAN LABOR FORCE	654.9	3.3	650.1	248.7	4.5	246.2	51.8	6.4	51.4	61.5	7.9	61.4
Employment@	594.8	3.2	589.9	233.2	5.1	230.0	47.8	7.0	47.3	57.9	7.7	57.8
Unemployment	60.1	4.0	60.2	15.5	-3.7	16.2	3.9	0.0	4.0	3.6	12.5	3.6
Unemployment rate (%)	9.2	1.1	9.3	6.2	-7.4	6.6	7.6	-6.1	7.9	5.9	5.4	5.9
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	519.2	2.4	518.9	223.6	4.1	222.4	38.1	5.6	38.0	51.3	6.5	51.3
Mining	18.2	-15.7	19.6	0.3	50.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	33.4	-2.3	34.1	17.7	8.0	17.9	2.5	4.2	2.5	3.2	3.3	3.2
Manufacturing	36.9	1.4	36.8	19.3	1.6	19.2	2.9	-9.3	2.9	1.7	21.5	1.7
Durable goods	24.0	1.3	24.0	13.7	0.8	13.7	1.2	0.0	1.2	1.0	25.0	1.0
Nondurable goods	12.9	1.6	12.8	5.6	3.8	5.5	1.7	-14.9	1.7	0.7	16.7	0.7
Transportation & public utilities	29.1	-3.6	29.0	12.2	0.9	12.2	1.4	0.0	1.4	1.1	0.0	1.1
Trade	124.6	6.8	125.6	56.9	5.8	57.3	7.9	8.3	8.0	9.7	18.3	9.7
Wholesale	22.9	1.4	22.9	14.1	0.8	14.1	0.8	0.0	0.9	0.7	16.7	0.7
Retail	101.7	8.1	102.7	42.8	7.6	43.2	7.1	9.3	7.2	9.0	18.5	9.0
Finance, insurance, & real estate	25.7	2.4	25.8	13.5	4.7	13.5	1.6	14.3	1.6	2.0	5.3	2.0
Services	114.9	5.9	114.2	58.7	5.6	57.9	5.5	7.9	5.5	12.1	0.9	12.1
Government	136.4	1.2	133.8	45.0	0.5	44.1	16.3	5.9	16.2	21.4	6.5	21.4
Federal	28.8	-3.3	28.9	12.8	0.8	12.6	4.6	0.0	4.7	1.5	-6.2	1.5
State	49.4	3.8	47.3	13.3	0.8	12.8	6.5	10.2	6.4	16.2	9.5	16.2
Local	58.2	1.4	57.6	18.9	0.0	18.7	5.2	6.2	5.1	3.7	0.0	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

AVERAGE ANNUAL PAY*
SOUTHWEST AND ROCKY MOUNTAIN REGION

	1983	1984p	%** CHANGE 1983-1984	NATIONAL RANK# 1984
SOUTHWEST				
Arizona	$16,667	$17,349	4.1	25
New Mexico	15,930	16,426	3.1	33
Oklahoma	17,155	17,625	2.7	20
Texas	18,131	18,864	4.0	8
ROCKY MOUNTAIN				
Colorado	$18,100	$18,774	3.7	10
Idaho	15,243	15,793	3.6	39
Montana	15,215	15,521	2.0	41
Utah	16,513	17,201	4.2	27
Wyoming	17,870	18,322	2.5	14
U. S. AVERAGE	$17,545	$18,350	4.6	N

AVERAGE ANNUAL PAY*
SELECTED WESTERN MSAS##

	1983	1984p	%** CHANGE 1983-84	RANK@ BY 1984 AVERAGE ANNUAL PAY	RANK@@ BY % CHANGE 1983-84
Albuquerque	$16,673	$17,227	3.3	150	225
Amarillo	16,283	16,966	4.2	162	162
Austin	16,446	17,626	7.2	127	9
Colorado Springs	15,877	16,615	4.7	183	120
El Paso	14,296	14,761	3.2	278	235
Las Cruces	15,045	15,196	1.0	268	303
Salt Lake City-Ogden	16,996	17,632	3.7	126	201
Santa Fe	15,132	15,744	4.0	244	182
Tucson	16,364	16,940	3.5	166	212

N Not applicable.
p Preliminary.
* Includes workers covered by Unemployment Insurance (UI) and Unemployment Compensation for Federal Employees (UCFE) programs.
** Percent changes were computed from unrounded average annual pay data and may differ from those computed using data rounded to the nearest dollar.
# These are rankings out of fifty states. In other words, the District of Columbia is excluded.
## Includes data for Metropolitan Statistical Areas as of June 30, 1985.
@ Based on 316 areas.
@@ Based on 315 areas.

Source: U. S. Dept. of Labor, Bureau of Labor Statistics.

Economic Developments . . .

(Continued from page 1)

average. These discrepancies show up because much recent and upcoming residential construction activity is in the works, as lower mortgage rates allow more prospective buyers to qualify and thus stimulate demand. Another indicator of strong activity is the sizable increase in hourly earnings, which in February was at $11.90 per hour, a 14.4 percent jump over January's 10.40 per hour. Besides larger commercial construction projects already in progress, new office buildings will be smaller and of less total dollar value.

Manufacturing still is sluggish with an overall 1.4 percent increase over last year. Over the last year the electronics industry showed barely any employment growth in New Mexico. Jobs in the textile and wood industries have also declined over the last 12 month average compared to the previous average. Only transportation manufacturing made any significant employment advances over the same period. The lagged impact of the weaker dollar on U.S. manufacturers has yet to take effect, particularly for the electronics industry.

Employment in retail trade, aside from seasonal layoffs, made hefty gains in New Mexico over a year ago, reflected by the number of new and expanded strip shopping centers. Apparently, developers plan to build more strip centers this year. As evidence of retail's strength, Walmart recently opened two stores, one in Carlsbad and another in Ruidoso. The drop in prices of oil and gas at the pump and refinancing of mortgages, meanwhile, will fill consumer pockets with extra disposable income and further fuel retail trade, just as the number of stores approached saturation in some parts of the state.

Although some energy dependent parts of New Mexico will certainly suffer, the state looks like it will weather the decrease in energy activity and lower revenues. Even as state and local governments practice restraint, the economic picture for New Mexico will not be so bleak as originally assessed, but don't expect a boom either.

Richard Zimmerman
Economist

COUNTY PROFILES NOW AVAILABLE

The Bureau of Business and Economic Research has tabulated two-page county profiles for each of New Mexico's 33 counties. Information has been updated through 1984, where possible. They contain figures on land area, climate, population (age, race, totals and projections), education, income, poverty, housing, employment, gross receipts, construction, agriculture, mining, finance and tourism. Each profile costs $.50 plus $3.00 postage and handling for mail out requests. For more information call the Data Bank at 277-6626.

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6/30/86 UA80-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 4
May 1986

Urban and Nonurban New Mexico Compared

As a departure from the usual format, NMB examines New Mexico's metropolitan and nonmetropolitan economies. The three metropolitan areas (MSA's) and respective counties include Albuquerque (Bernalillo County), Las Cruces (Dona Ana County) and Santa Fe (Santa Fe and Los Alamos Counties); the nonmetropolitan area is termed "rest of the state." This article first discusses each area's economic structure as given by 1985 sector employment. Next, each economy's performance is measured by population, income, and employment. It is apparent that a dichotomy exists between New Mexico's urban and nonurban areas. This disaggregated approach looks at what may be a dual economy in New Mexico, a fairly prosperous economy in urban centers and a lagging economy outside the MSA's.

The table at the bottom of page 7 shows that government, trade and services dominate New Mexico employment. These sectors vary in their contribution to an area's economy. It is quite clear that they comprise a higher percentage of nonagricultural employment in the MSA's compared to the rest of the state. For instance, government, trade and services combined account for 71.4 percent of nonagricultural employment in Albuquerque, 75.8 percent in Las Cruces, and 83.7 percent in Santa Fe, compared to 66.7 percent for the rest of the state.

The Albuquerque MSA relies heavily upon government employment. Jobs at Sandia National Laboratories and BDM (both large defense contractors) are counted in the services sector so that the government sector is even larger than the data suggest. In addition, over 5,000 military personnel at Kirtland Air Force Base (not counted in the civilian nonagricultural employment data) further impact the Albuquerque economy. Albuquerque has a higher share of sector employment in construction, FIRE, and trade than the other MSA's and rest of the state. Business and health services are leaders within the city's services sector. The city also is a wholesale distribution center as shown by a larger share of wholesale trade employment. In the manufacturing sector, jobs in durable manufactures are more than twice that of nondurables which contrasts to the other urban areas and rest of the state.

The Las Cruces MSA has a huge government sector that makes up 41.1 percent of the area's nonagricultural employment. Pillars in the Dona Ana County economy are White Sands Missile Range and New Mexico State University. Agriculture, in particular crop farming, is another prominent industry in the Las Cruces economy, employing 2,746 workers in 1984. Trade is the second largest sector with most jobs in retail. Nondurable manufacturing (textiles/apparel and food processing) overshadows durable manufacturing employment. Jobs in the manufacturing sector have been volatile, moving up and down according to national economic conditions and product demand.

The Santa Fe MSA also has a big government sector and a significant tourism industry. Los Alamos National Laboratories and state government are the area's main employers. Retail jobs lead trade sector activity, as eating and drinking places represent much of the retail sector. The recently opened Villa Linda Mall is evidence of strength in Santa Fe retail activity. As well, Santa Fe's private colleges and parochial schools contribute to services employment.

The table on page 7 displays the rest of the state's dependence upon the mining sector which accounts for 9.5 percent of nonagricultural jobs. Major mining industries in New Mexico are copper in the southwest; coal, oil, and gas in the northwest; and potash, oil, and gas in the southeast. Uranium mining virtually ceased in western New Mexico, while molybdenum mining recently was suspended in Questa. As international competition (often government subsidized) intensified and the dollar soared, many mining operations in New Mexico could not effectively compete. Regions in the state dependent upon natural resources bore the brunt of severe layoffs in the mining industry. Now with the plunge in oil prices, the oil and gas industry is also hard pressed, resulting in a massive loss of jobs in northwest and southeast New Mexico.

Nonmetropolitan New Mexico depends partly on the government sector for employment but does not benefit from research and development facilities that are critical to the three MSA's. Holloman Air Force Base at Alamogordo and Cannon Air Force Base in Clovis are two large federal civilian and military employers. Other large government employers in the rest of the state include the Gallup and Roswell school disticts, the Bureau of Indian Affairs in the Gallup area, the State Hospital at Las Vegas, and the state universities in Portales, Silver City, Las Vegas, and Socorro.

Population growth in New Mexico increased 26 percent from 1974-84 with slightly higher growth occurring in the mid-late 1970's than during the 1980's. Among the state's urban areas, Albuquerque's 23.1 percent gain in population was the smallest, and growth slowed in the 1980's. The Las Cruces MSA's population swelled 42.2 percent during the ten year period with the city experiencing a bit faster growth in the

(Continued on page 8)

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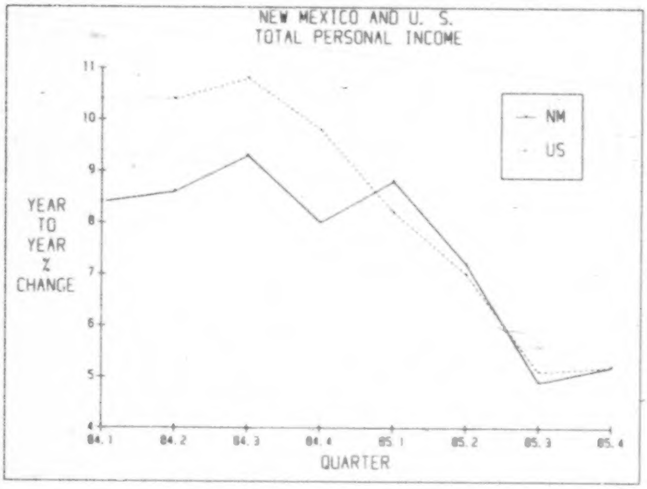
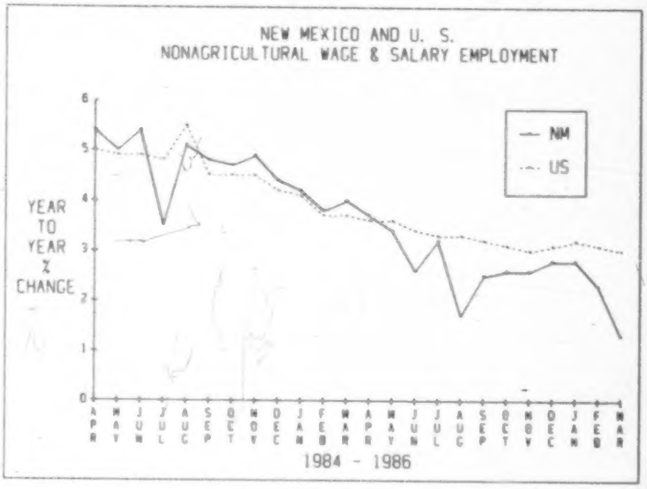
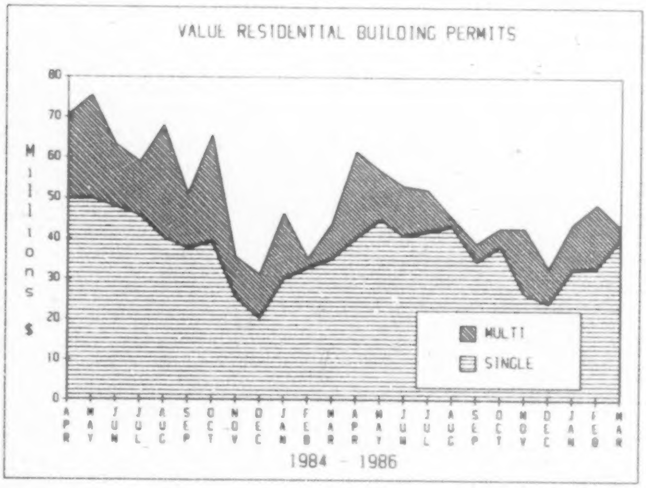
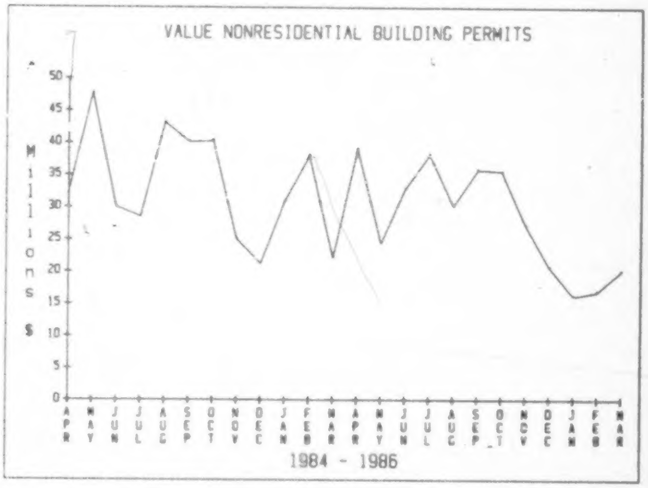
ECONOMIC TRENDS IN NEW MEXICO


NEW MEXICO AND U. S.
TOTAL PERSONAL INCOME


NEW MEXICO AND U. S.
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT


VALUE RESIDENTIAL BUILDING PERMITS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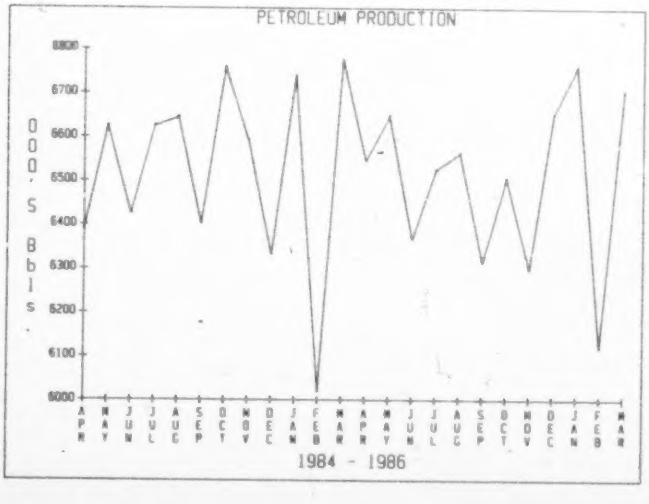
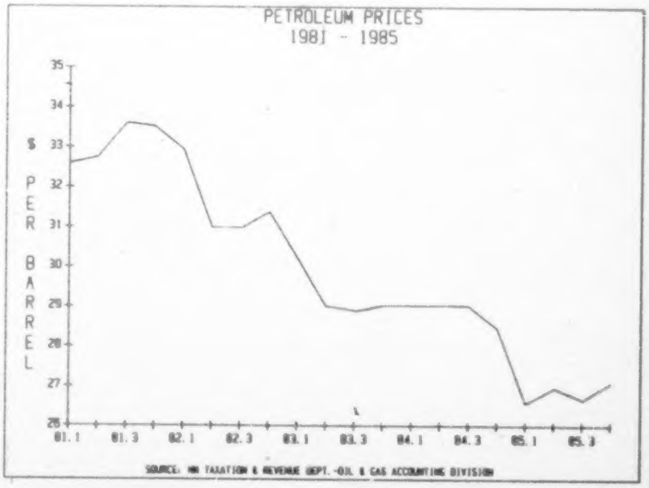

PETROLEUM PRODUCTION


PETROLEUM PRICES
1981 - 1985

SOURCE: NM TAXATION & REVENUE DEPT.-OIL & GAS ACCOUNTING DIVISION

U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Mar 86	326.0	2.3	327.5
Food and beverages	Mar 86	307.8	2.1	307.7
Housing	Mar 86	357.0	3.6	356.5
Apparel and upkeep	Mar 86	206.3	0.5	204.1
Transportation	Mar 86	309.6	-2.2	319.2
Medical care	Mar 86	425.8	7.4	422.3
Entertainment	Mar 86	271.9	3.7	272.0
Other goods and services	Mar 86	341.1	6.2	340.3
Revised series, wage earners and clerical workers (1967=100)				
All items	Mar 86	321.4	1.9	323.2
Gross national product* ($Bil. constant)	I 86	3619.2	2.1	3590.8
Prime interest rate** (% per annum)	Mar 86	9.0	-14.2	9.5
Mortgage interest rate*** (% per annum)	Mar 86	10.5	-12.0	10.7
3 month treasury bill# (% per annum)	Mar 86	6.6	-23.1	7.0
Industrial production## (1977=100)	Mar 86	125.1	0.9	125.7
Manufacturers new orders## ($Bil.)	Feb 86	198.8	3.0	201.4

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Mar 86	598.2	2.7	594.7	107,643	1.8	106,685
Unemployment rate (%)	Mar 86	9.2	2.3	9.2	7.5	0.0	7.8
Nonagricultural employment (000)	Mar 86	519.9	1.4	519.1	98,933	3.1	98,255
Personal income### ($Mil.)	IV 85	15,765	5.2	15,536	3,268,059	5.2	3,207,892
Housing units permitted							
Single	Mar 86	619	12.2	534	89,724	6.0	60,615
Multi	Mar 86	93	-77.9	698	61,881	4.7	48,379

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
Monthly data seasonally adjusted.
Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT		% CHANGE	PREVIOUS	% CHANGE#
	MO/QTR	DATA	YEAR AGO	MO/QTR DATA	12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Mar 86	659.0	2.9	655.1	2.6
Total employment* (000)	Mar 86	598.2	2.7	594.7	1.3
Unemployment* (000)	Mar 86	60.8	5.1	60.4	18.0
Unemployment rate (%)	Mar 86	9.2	2.3	9.2	15.6
Weekly new unemployment insurance claims	Mar 86	2038.0	39.9	1691.0	1.6
Nonagricultural wage/salary employment**(000)	Mar 86	519.9	1.4	519.1	2.7
New business incorporations	Jan 86	319.0	29.7	233.0	0.3
Personal income*** ($ mil.)	IV 85	15765.0	5.2	15536.0	6.5
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Jan 86	63.2	-3.3	43.8	4.3
Crops ($ mil.)	Jan 86	23.9	15.5	52.9	19.1
Total ($ mil.)	Jan 86	87.1	1.2	96.7	9.1
3. MINING					
Employment** (000)	Mar 86	16.2	-24.6	18.2	-8.5
Average hourly earnings ($)	Mar 86	12.63	5.1	12.29	2.6
Petroleum production (000 bbls.)	Mar 86	6704.3	-1.0	6118.3	-0.4
Natural gas production (bil. cu. ft.)	Mar 86	73.8	-4.7	64.9	-11.5
Coal production (000 short tons)	Mar 86	1561.0	-5.7	1508.0	-7.2
Oil well completions&	Mar 86	58.0	-49.1	107.0	-0.0
Gas well completions&	Mar 86	26.0	-67.9	78.0	33.9
Total footage drilled&& (000)	Mar 86	598.2	-49.5	1175.0	10.2
Oil sales ($ mil.)	Jan 86	153.0	-9.5	174.7	-10.9
Gas sales ($ mil.)	Jan 86	173.2	-27.0	200.9	-11.2
4. CONSTRUCTION					
Employment** (000)	Mar 86	35.0	-3.3	33.8	-0.1
Average hourly earnings ($)	Mar 86	10.45	3.8	11.34	2.9
Residential units permitted	Mar 86	712.0	-26.8	1232.0	-18.0
Residential building permits ($ mil.)	Mar 86	43.3	-1.5	48.8	-12.8
Nonresidential building permits ($ mil.)	Mar 86	20.1	-9.0	16.9	-16.2
Residential construction contracts ($ mil.)	Mar 86	65.4	-14.1	53.4	-6.6
Nonresidential construction contracts ($mil.)	Mar 86	27.3	-5.5	33.6	-20.3
Nonbuilding construction contracts ($ mil.)	Mar 86	33.4	5.7	40.2	6.2
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Mar 86	29.1	-3.9	29.0	-1.4
Average hourly earnings## ($)	Mar 86	11.35	-0.0	11.24	4.7
6. MANUFACTURING					
Employment** (000)	Mar 86	36.6	0.0	36.9	1.4
Average hourly earnings ($)	Mar 86	8.43	3.1	8.59	5.0
Electric & electronic equipment employment** (000)	Mar 86	6.6	-2.9	6.5	-0.8
Transportation equipment employment** (000)	Mar 86	4.0	5.3	4.0	17.2
Food & kindred products employment** (000)	Mar 86	4.0	2.6	4.1	2.5
Textile & apparel employment** (000)	Mar 86	2.4	0.0	2.4	-4.0
Lumber & wood products employment** (000)	Mar 86	2.4	4.4	2.5	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

		CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
		MO/QTR	DATA			
7.	TRADE					
	Wholesale employment** (000)	Mar 86	23.0	0.9	22.9	2.3
	Retail employment** (000)	Mar 86	102.2	7.5	101.1	5.7
	Average hourly earnings ($)	Mar 86	6.66	0.4	7.06	1.6
8.	FINANCE/INSURANCE/REAL ESTATE					
	Employment** (000)	Mar 86	26.1	3.6	25.8	3.0
	Bank average hourly earnings ($)	Mar 86	5.73	5.0	5.72	3.8
	Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
	Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7	5.9
	Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
	S & L total assets ($ mil.)	Feb 86	5107.7	16.7	5049.4	14.8
	S & L total deposits ($ mil.)	Feb 86	4211.9	17.1	4159.9	17.6
	S & L new mortgage loans closed&&& ($ mil.)	Feb 86	88.1	4.8	110.4	1.7
9.	SERVICES AND TOURISM					
	Total service employment** (000)	Mar 86	115.8	4.8	115.1	6.1
	Lodging employment** (000)	Mar 86	11.5	11.7	11.3	8.5
	Eating & drinking places employment** (000)	Mar 86	35.6	4.8	35.1	4.4
	Visits to state parks (000)	Jan 86	183.8	18.4	173.7	6.3
	Visits to national parks/monuments (000)	Mar 86	220.3	84.6	73.3	8.7
	Passenger traffic at Albuquerque airport@ (000)	Mar 86	350.1	6.5	263.8	9.9
	Lodgers tax receipts ($ 000)	IV 85	1734.7	N	2074.3	N
	Lodging occupancy rates (%)	Mar 86	54.5	-19.3	48.6	-7.7
10.	GOVERNMENT					
	Total government employment** (000)	Mar 86	135.9	0.8	136.3	1.5
	Federal employment** (000)	Mar 86	28.6	-4.0	28.8	-1.6
	State employment** @@ (000)	Mar 86	49.4	3.6	49.4	4.1
	Local employment** (000)	Mar 86	57.9	0.9	58.1	1.1
	Total general fund revenues@@@ ($ mil.)	Feb 86	104.3	4.9	140.5	2.5

Note: selected data items subject to revision.
N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
&& Oil and gas combined.
&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, ~~Kerr and~~ Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* JAN-MAR	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* OCT-DEC
Alamogordo	$ 13,948	5.6	$ 13,886
Albuquerque	226,488	7.9	236,165
Artesia	6,038	-2.9	5,994
Carlsbad	12,987	3.4	13,453
Clovis	16,580	12.6	15,335
Deming	4,649	0.4	4,277
Espanola	6,730	-1.8	7,181
Farmington	30,454	-1.3	30,524
Gallup	20,442	9.6	22,485
Hobbs	20,259	-11.0	20,598
Las Cruces	33,864	-4.1	32,802
Las Vegas	5,876	-0.6	5,631
Los Alamos	6,198	9.2	6,055
Lovington	4,356	-26.9	4,063
Portales	5,174	-15.3	5,781
Roswell	19,466	1.5	18,138
Ruidoso	4,841	-12.1	5,293
Santa Fe	43,126	10.7	46,206
Silver City	6,939	2.6	7,682
Taos	6,383	1.4	6,943
State total	622,586	4.2	640,198

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	MARCH 1986	MARCH 1985	CUMULATIVE TOTAL THROUGH MARCH 1986	CUMULATIVE TOTAL THROUGH MARCH 1985	MARCH 1986	MARCH 1985	CUMULATIVE TOTAL THROUGH MARCH 1986	CUMULATIVE TOTAL THROUGH MARCH 1985
RESIDENTIAL**								
Alamogordo	23	23	77	64	$ 795	$ 740	$ 3,465	$ 2,548
Albuquerque	247	476	1,802	1,316	16,669	19,155	63,073	55,950
Carlsbad	9	5	17	11	372	184	779	562
Clovis	20	15	38	28	1,060	648	2,058	1,297
Farmington	6	10	24	39	192	344	880	1,275
Hobbs	0	3	9	13	0	280	465	848
Las Cruces	27	63	150	207	1,603	2,641	7,308	9,100
Los Alamos	3	21	8	30	415	1,222	870	2,152
Rio Rancho***	97	66	310	286	5,237	3,702	14,492	15,521
Roswell	13	10	28	30	672	659	1,128	2,018
Ruidoso	3	18	81	35	256	985	3,079	2,557
Santa Fe	37	14	74	53	2,441	779	5,171	3,066
NONRESIDENTIALr								
Alamogordo	6	8	20	25	140	138	209	518
Albuquerque	4	13	16	67	3,950	2,699	14,258	38,826
Carlsbad	9	14	23	27	23	13	259	663
Clovis	9	2	16	8	1,120	122	1,459	2,816
Farmington	6	4	8	8	929	180	1,096	406
Hobbs	3	1	9	3	219	32	935	218
Las Cruces	20	28	48	57	1,996	2,028	4,506	4,253
Los Alamos	2	1	12	4	600	0	3,126	4
Rio Rancho***	7	0	10	3	2,869	0	3,577	340
Roswell	9	11	20	27	30	57	78	148
Ruidoso	4	2	5	6	67	55	1,214	1,148
Santa Fe	2	5	9	13	80	735	561	3,704

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r	MARCHp	% CHANGE YEAR AGO	FEB. r
TOTAL CIVILIAN LABOR FORCE	659.0	2.9	655.1	251.4	4.5	249.4	52.4	6.6	52.0	60.9	6.1	60.5
Employment@	598.2	2.7	594.7	235.9	5.0	233.9	48.4	7.1	47.9	57.5	6.1	56.9
Unemployment	60.8	5.1	60.4	15.5	-3.7	15.5	3.9	-2.4	4.1	3.4	6.3	3.6
Unemployment rate (%)	9.2	2.3	9.2	6.2	-7.4	6.2	7.5	-8.5	7.8	5.5	0.0	6.0
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	519.9	1.4	519.1	224.5	3.7	223.5	38.3	4.4	38.0	50.5	4.0	50.2
Mining	16.2	-24.6	18.2	0.3	50.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	35.0	-3.3	33.8	17.8	4.1	17.6	2.7	3.9	2.6	3.2	-3.0	3.1
Manufacturing	36.6	0.0	36.9	19.4	1.1	19.4	3.0	-9.0	3.0	1.6	6.7	1.6
Durable goods	23.9	0.0	24.0	13.9	0.8	13.8	1.3	0.0	1.3	0.9	0.0	0.9
Nondurable goods	12.7	0.0	12.9	5.5	1.9	5.6	1.7	-14.9	1.7	0.7	16.7	0.7
Transportation & public utilities	29.1	-3.9	29.0	12.2	1.7	12.1	1.4	0.0	1.4	1.2	0.0	1.2
Trade	125.2	6.2	124.0	57.0	5.2	56.8	7.9	6.8	7.9	9.7	14.2	9.6
Wholesale	23.0	0.9	22.9	14.2	1.5	14.1	0.8	0.0	0.8	0.7	0.0	0.7
Retail	102.2	7.5	101.1	42.8	6.5	42.7	7.1	7.6	7.1	9.0	14.0	8.9
Finance, insurance, & real estate	26.1	3.6	25.8	13.4	1.6	13.4	1.7	13.4	1.6	2.0	5.3	2.0
Services	115.8	4.8	115.1	59.0	5.0	58.8	5.6	12.0	5.5	12.3	2.5	12.2
Government	135.9	0.8	136.3	45.4	2.1	45.1	16.1	3.3	16.1	20.4	1.5	20.5
Federal	28.6	-4.0	28.8	12.7	0.0	12.7	4.6	0.0	4.6	1.4	-12.4	1.4
State	49.4	3.6	49.4	13.6	4.7	13.5	6.4	6.7	6.4	15.3	3.4	15.4
Local	57.9	0.9	58.1	19.1	1.6	18.9	5.1	2.0	5.1	3.7	0.0	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

NEW MEXICO METROPOLITAN AND NONMETROPOLITAN COMPARISON

	Albuquerque MSA	Las Cruces MSA	Santa Fe MSA	Rest of N.M.
Percent Sector Employment 1985				
Mining	0.1	0.0	0.2	9.5
Construction	8.2	7.1	7.0	6.0
Manufacturing	8.7	9.0	3.0	6.3
Transportation Public Utilities	5.5	3.8	2.2	7.2
Trade	25.5	20.5	18.7	23.6
Finance, Insurance, Real Estate	6.1	4.1	4.0	4.2
Services	26.0	14.2	25.0	18.0
Government	19.9	41.1	40.0	25.1
Population, Income and Employment				
Population (1984)	449,400	112,200	100,400	762,000
% Ch. Population (1974-84)	23.1	42.2	28.7	25.3
Per Capita Income (1984) ($)	12,305	8,176	13,244	8,960
% Ch. Per Capita Income (1979-84)	51.1	40.7	57.3	34.3
1985 Unemployment Rate (%)	6.7	8.5	5.3	11.3
% Ch. Nonag. Employment (1975-85)	53.4	54.7	59.2	23.2
Farm Employment (1984)*	283	2,746	314	18,370
Military Employment (1984)	7,276	1,755	388	12,999

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* Includes wage, salary and proprietors.

Source: New Mexico Employment Security Department, Bureau of Economic Analysis, U.S. Department of Commerce.

Urban and Nonurban . . .

(Continued from page 1)

1980's. The population growth rate in Las Cruces, moreover, surpassed that of the Albuquerque and Santa Fe metros and rest of the state. As in Albuquerque, the Santa Fe MSA's population grew faster in the 1970's than the 1980's. The population increase for nonurban New Mexico was 25.3 percent during 1974-84, with the 1970's average annual 2.8 percent growth rate greater than the 1.8 percent rate of the 1980's.

Per capita income in 1984 was highest for the Santa Fe MSA, Albuquerque was second, the rest of the state third, and Las Cruces last. The Santa Fe and Albuquerque metros had the largest percent gain in per capita income during 1979-84, exceeding Las Cruces and the rest of the state. All of the MSA's experienced much higher income growth than the rest of the state. Faster population growth in Dona Ana County seems to have kept down per capita income somewhat, while the reverse was true for the Albuquerque and Santa Fe MSA's. Los Alamos County's per capita income was highest in the state at $20,082, while Santa Fe County's $11,646 was below Albuquerque's $12,305 income per head.

From 1975-85 the percent change in nonagricultural employment in the metropolitan areas (54.5 percent) more than doubled that of nonmetropolitan New Mexico (23.2 percent). The Santa Fe MSA (and Santa Fe County) experienced the largest percent change from 1975-85. Las Cruces placed second followed closely by Albuquerque, but the rest of the state lagged far behind in job creation. In line with job growth, the 1985 unemployment rate for the MSA's fell below the rest of the state. The Santa Fe MSA had the lowest unemployment rate in 1985 at 5.3 percent and nonurban New Mexico's 11.3 percent was the highest. Note that Los Alamos County's small unemployment rate distorts the rate for the Santa Fe MSA.

In concluding, New Mexico does appear to be a dual economy state. A breakdown of the employment structure indicates a modern "sunrise" economy anchored by a national laboratory in each urban area, but a resource-based "sunset" economy in nonurban New Mexico. The economic measures exhibit disparate growth and fortunes between the state's two economies.

Richard Zimmerman
Economist

ANNOUNCING A NEW SERVICE

Timely provision of population projections has been one of the BBER's primary research services. Designated by successive governors, we have been representing the State of New Mexico in the Federal-State Cooperative Programs for Population Estimates and Population Projections and preparing standard estimates and projections for counties and the state. However, funding the provision of demographic data in general, and population projections in particular, has become problematic with dwindling resources.

To address both the demand for the data and the question of funding, the BBER is proposing an annual subscription service for state demographic analysis and projections. This service would provide not only long-term annual population and employment projections by county for New Mexico, but also analyses of the demographic and economic changes affecting counties, an update of current population trends in both New Mexico and the United States, a preview of 1990 census data issues, and the opportunity for data users who work with demographic data to meet and review the latest data, trends, methods, etc.

Further information about the proposed service is available from the BBER, (505) 277-2216.

Lynn Bodin Wombold
Senior Demographer

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 5
June 1986

Current Economic Developments in New Mexico

Uncertainty plagues the short term course of the U.S. economy even though the dollar's drop in value and the fall in oil prices are positive signs. Lower inflation and interest rates will boost real spending and increase investment, creating eventual demand for consumer durables. Additionally, the U.S. trade deficit will in time shrink, boosting output and growth as American industry becomes more competitive. As tax reform nears reality, investment patterns should shift away from disallowed tax shelters to hopefully more productive investment. Since tax distortions affecting investment would be curbed, investment would be predicated on a real return basis. On Wall Street, the stock market made a correction, with the Dow unable to break the mid 1800's. Gross national product posted a feeble 2.2 percent rise during the first quarter of 1986 compared to the same quarter in 1985. Yet, the U.S. Commerce Department's leading indicators predict a pick-up of economic growth on the horizon for the year's second half.

New Mexico, hurt by cascading energy prices and revenues, is not performing as well as the nation. Nonagricultural employment grew 1.0 percent over year ago figures, lagging behind the 3.1 percent increase of jobs in the U.S. The unemployment rate in New Mexico during April was 9.1 percent compared to a 7.0 percent jobless rate in the nation. Personal income growth in the state, though, managed to stay abreast of the U.S. rate of 5.2 percent over a year ago.

The New Mexico economy is displaying lackluster performance, yet overall is muddling through the crunch in energy revenues. Layoffs in the mining sector have been rampant this spring with a 27.8 percent plunge in employment in April over a year ago. In the three months February, March and April, a quarter of the sector's jobs were eliminated. Meanwhile, the dollar value of oil and gas sales plummetted compared to a year ago, down 15.3 percent for oil and 32.3 percent for gas sales. Drilling activity, however, increased in April. Taos County businesses are feeling the ripple effect of Molycorp's layoffs in Questa, resulting in reduced consumer demand. But all is not bleak as Kaiser Coal rehired 200 workers at its York Canyon Mine in Raton during early June.

Construction activity also declined as the dollar value of residential contracts fell 6.6 percent during the last 12 month average compared to the previous average. During the same period, the value of nonresidential contracts dropped 18.9 percent, but nonbuilding contracts rose 10.4 percent. Despite lower interest rates permitted residential units dived 20.7 percent over the last 12 month average against the previous average. Nonbuilding activity is occurring in the Espanola area where a new hydroelectric power plant is under construction and in eastern New Mexico which is benefiting from highway construction. New Mexico Tech will also receive a new mineral sciences and engineering building valued at $5.6 million.

The manufacturing sector continued to be weak with little employment growth. The electric and electronic equipment subsector experienced a slight decline of 1.5 percent in jobs over a year ago. In contrast, employment grew 5.3 percent over last year in the food and kindred products subsector. The Las Cruces area will be host to Microswitch's new division headquarters that is moving from Illinois.

Like the nation, New Mexico's finance, insurance and real estate (FIRE) sector is growing strongly. Employment rose 2.8 percent over a year ago and assets, deposits and loans all had respectable gains. Indicative of the weak April housing industry statewide, mortgages closed by S&L's dipped 4.3 percent against last year's level.

Services and tourism remain the state's healthiest sector. Service jobs are up 3.9 percent over last year. The largest increase in job growth within the sector was in the lodging industry which experienced a 13.1 percent jump in job growth over last year. Occupancy rates slipped from 54.5 percent in March to 52.7 percent in April. The state seems to be absorbing the extra rooms brought onto the market recently with more scheduled for the rest of 1986.

Employment growth in New Mexico's government sector halted in April compared to a year ago. Federal government jobs declined 2.6 percent during the last year while state employment increased 3.6 percent. With Los Alamos National Laboratory maintaining a zero growth policy, and the state wrestling with a revenue gulf little growth in government employment can be expected.

The Albuquerque economy, meanwhile, cruised along with a net gain of 400 jobs, of which 300 were supplied by the construction industry caused by a spirited housing market. Government employment dropped by 100 jobs but FIRE, eating and drinking places and lodging added 100 jobs each, revving up for the tourist season. As further evidence of strength, Albuquerque's unemployment rate dropped from 6.4 percent in March to 6.1 percent in April, compared to the state's April rate of 9.1 percent and 7.0 percent for the nation.

Richard Zimmerman
Economist

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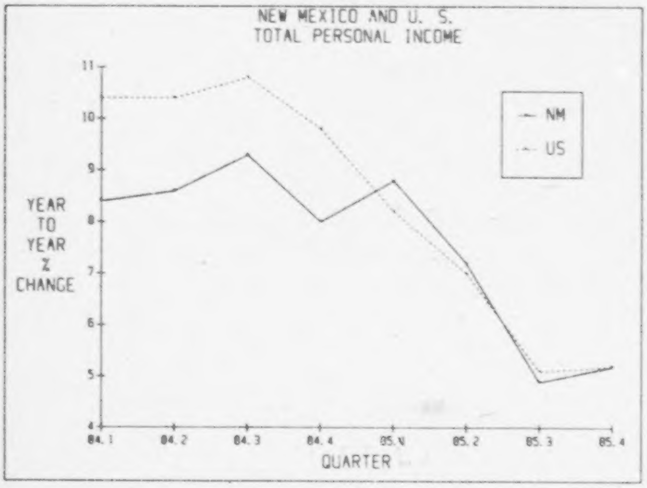
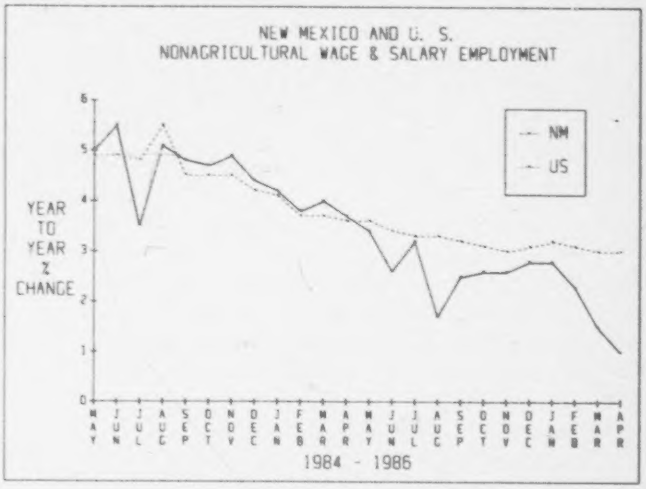
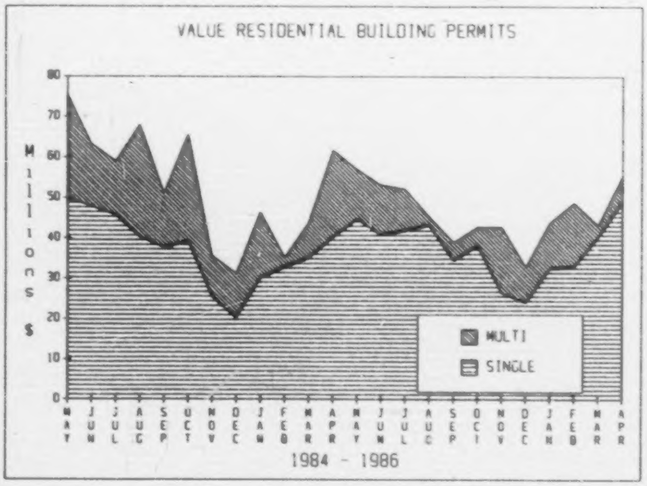
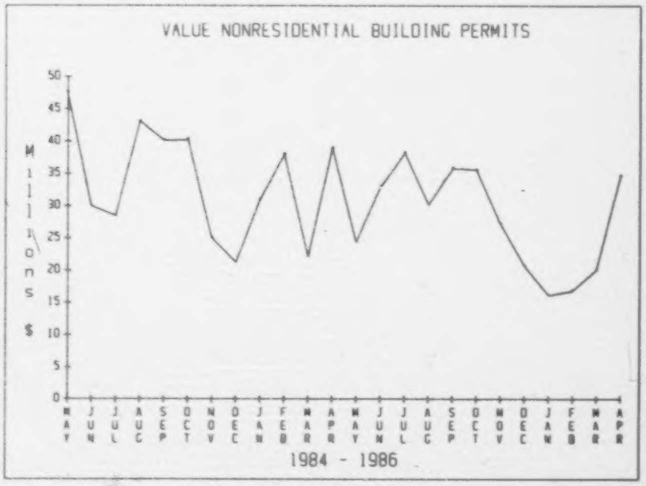
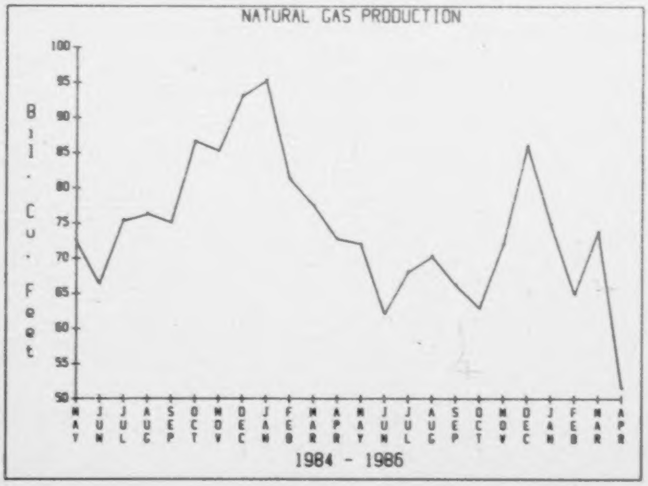
ECONOMIC TRENDS IN NEW MEXICO

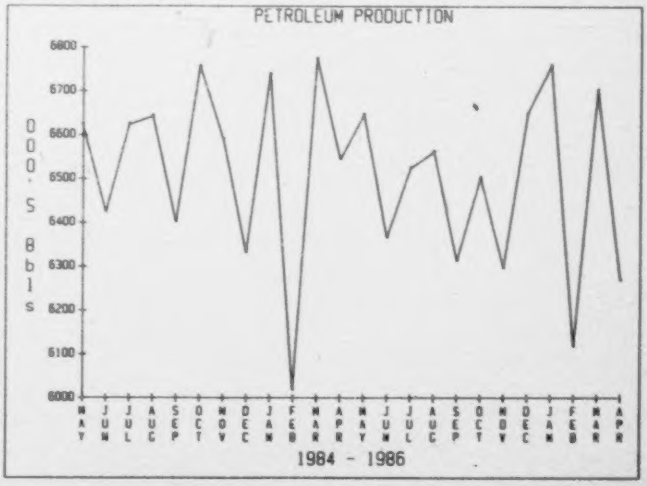












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Apr 86	325.3	1.6	326.0
Food and beverages	Apr 86	308.5	2.3	307.8
Housing	Apr 86	358.0	3.5	357.0
Apparel and upkeep	Apr 86	207.3	0.7	206.3
Transportation	Apr 86	303.3	-5.2	309.6
Medical care	Apr 86	428.0	7.5	425.8
Entertainment	Apr 86	272.3	3.4	271.9
Other goods and services	Apr 86	341.8	6.2	341.1
Revised series, wage earners and clerical workers (1967=100)				
All items	Apr 86	320.4	1.2	321.4
Gross national product* ($Bil. constant)	I 86	3623.5	2.2	3590.8
Prime interest rate** (% per annum)	Apr 86	8.5	-19.0	9.0
Mortgage interest rate*** (% per annum)	Apr 86	10.3	-14.6	10.5
3 month treasury bill# (% per annum)	Apr 86	6.1	-24.2	6.6
Industrial production## (1977=100)	Apr 86	125.1	0.9	124.9
Manufacturers new orders## ($Bil.)	Apr 86	193.2	1.1	193.0

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Apr 86	605.6	3.4	598.7	108,201	2.0	107,643
Unemployment rate (%)	Apr 86	9.1	2.3	9.4	7.0	-1.4	7.5
Nonagricultural employment (000)	Apr 86	521.1	1.0	520.7	99,817	3.1	98,922
Personal income### ($Mil.)	IV 85	15,765	5.2	15,536	3,268,059	5.2	3,207,892
Housing units permitted							
Single	Apr 86	753	15.0	619	114,023	20.8	89,724
Multi	Apr 86	295	-68.2	93	65,982	-0.3	61,881

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Apr 86	666.3	3.6	660.6	2.6
Total employment* (000)	Apr 86	605.6	3.4	598.7	1.4
Unemployment* (000)	Apr 86	60.7	5.4	62.0	16.7
Unemployment rate (%)	Apr 86	9.1	2.3	9.4	14.2
Weekly new unemployment insurance claims	Apr 86	1893.0	27.8	2038.0	3.4
Nonagricultural wage/salary employment**(000)	Apr 86	521.1	1.0	520.7	2.5
New business incorporations	Feb 86	186.0	-10.1	319.0	0.4
Personal income*** ($ mil.)	IV 85	15765.0	5.2	15536.0	6.5
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Feb 86	48.7	-19.2	67.7	2.3
Crops ($ mil.)	Feb 86	13.6	-6.8	24.2	18.8
Total ($ mil.)	Feb 86	62.3	-16.9	91.9	7.6
3. MINING					
Employment** (000)	Apr 86	15.3	-27.8	16.4	-10.7
Average hourly earnings ($)	Apr 86	11.94	0.9	12.60	2.6
Petroleum production (000 bbls.)	Apr 86	6269.0	-4.2	6704.3	-0.9
Natural gas production (bil. cu. ft.)	Apr 86	51.5	-29.2	73.8	-13.8
Coal production (000 short tons)	Apr 86	1723.0	-13.4	1561.0	-10.3
Oil well completions&	Apr 86	55.0	-11.2	58.0	-0.2
Gas well completions&	Apr 86	32.0	-15.7	26.0	32.8
Total footage drilled&& (000)	Apr 86	669.3	-0.6	598.2	10.0
Oil sales ($ mil.)	Feb 86	117.0	-15.3	153.0	-10.2
Gas sales ($ mil.)	Feb 86	140.4	-32.3	173.2	-14.5
4. CONSTRUCTION					
Employment** (000)	Apr 86	36.1	-2.4	35.0	-0.6
Average hourly earnings ($)	Apr 86	10.51	-0.8	11.10	3.9
Residential units permitted	Apr 86	1048.0	-33.7	712.0	-20.7
Residential building permits ($ mil.)	Apr 86	55.2	-10.6	43.3	-12.6
Nonresidential building permits ($ mil.)	Apr 86	34.7	-11.0	20.1	-18.7
Residential construction contracts ($ mil.)	Apr 86	66.6	-2.4	64.6	-6.6
Nonresidential construction contracts ($mil.)	Apr 86	56.4	22.1	26.5	-18.9
Nonbuilding construction contracts ($ mil.)	Apr 86	49.0	53.2	33.4	10.4
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Apr 86	28.5	-5.9	28.8	-2.1
Average hourly earnings## ($)	Apr 86	11.07	1.3	11.79	4.7
6. MANUFACTURING					
Employment** (000)	Apr 86	36.6	0.3	36.7	1.3
Average hourly earnings ($)	Apr 86	8.60	5.8	8.78	5.0
Electric & electronic equipment employment** (000)	Apr 86	6.5	-1.5	6.6	-1.3
Transportation equipment employment** (000)	Apr 86	4.0	2.6	4.0	13.9
Food & kindred products employment** (000)	Apr 86	4.0	5.3	4.0	4.9
Textile & apparel employment** (000)	Apr 86	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	Apr 86	2.5	4.2	2.5	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT		% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
	MO/QTR	DATA			
7. TRADE					
Wholesale employment** (000)	Apr 86	22.9	0.5	22.9	2.3
Retail employment** (000)	Apr 86	102.7	7.8	102.1	6.0
Average hourly earnings ($)	Apr 86	6.49	-4.1	6.80	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Apr 86	26.2	2.8	26.1	2.9
Bank average hourly earnings ($)	Apr 86	5.79	5.3	5.79	3.8
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
Bank total deposits ($mil.)	II 85	7955.6	7.9	7782.7	5.9
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
S & L total assets ($ mil.)	Mar 86	5141.0	15.4	5149.4	14.9
S & L total deposits ($ mil.)	Mar 86	4239.7	15.5	4253.3	17.5
S & L new mortgage loans closed&&& ($ mil.)	Mar 86	143.9	-4.3	86.9	1.2
9. SERVICES AND TOURISM					
Total service employment** (000)	Apr 86	116.1	3.9	116.1	5.9
Lodging employment** (000)	Apr 86	12.1	13.1	11.5	9.5
Eating & drinking places employment** (000)	Apr 86	36.0	4.7	35.7	4.7
Visits to state parks (000)	Feb 86	230.8	23.4	183.8	6.6
Visits to national parks/monuments (000)	Apr 86	151.1	-0.5	215.8	8.8
Passenger traffic at Albuquerque airport@ (000)	Apr 86	314.5	4.3	350.1	9.0
Lodgers tax receipts ($ 000)	IV 85	1734.7-	N	2074.3	N
Lodging occupancy rates (%)	Apr 86	52.7	-16.4	54.5	-8.9
10. GOVERNMENT					
Total government employment** (000)	Apr 86	136.7	0.8	136.6	1.4
Federal employment** (000)	Apr 86	29.0	-2.6	28.8	-1.6
State employment** @@ (000)	Apr 86	49.4	3.6	49.6	3.8
Local employment** (000)	Apr 86	58.3	0.2	58.2	0.9
Total general fund revenues@@@ ($ mil.)	Mar 86	131.3	7.1	104.3	1.8

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

## Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* FEB-APR	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* NOV-JAN
Alamogordo	$ 12,625	3.6	$ 15,102
Albuquerque	199,123	4.0	254,617
Artesia	5,035	-7.5	6,712
Carlsbad	11,662	1.2	14,758
Clovis	14,604	9.8	17,897
Deming	4,496	2.1	4,775
Espanola	6,368	-0.1	7,805
Farmington	25,132	-9.7	34,433
Gallup	19,930	16.4	23,113
Hobbs	17,799	-14.1	22,161
Las Cruces	30,523	-1.6	36,566
Las Vegas	5,379	5.1	6,288
Los Alamos	5,870	11.0	6,402
Lovington	3,886	-28.9	4,526
Portales	4,518	-15.6	6,016
Roswell	18,097	1.7	20,535
Ruidoso	4,819	-5.8	5,517
Santa Fe	37,532	7.6	50,086
Silver City	7,195	16.5	8,599
Taos	5,943	5.0	7,324
State total	572,018	4.4	685,799

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
	APRIL 1986	APRIL 1985	CUMULATIVE TOTAL THROUGH APRIL 1986	CUMULATIVE TOTAL THROUGH APRIL 1985	APRIL 1986	APRIL 1985	CUMULATIVE TOTAL THROUGH APRIL 1986	CUMULATIVE TOTAL THROUGH APRIL 1985
RESIDENTIAL**								
Alamogordo	23	13	100	77	$ 1,009	$ 516	$ 4,474	$ 3,064
Albuquerque	442	799	2,244	2,115	20,644	26,527	83,717	82,477
Carlsbad	5	4	22	15	346	121	1,125	683
Clovis	22	21	60	49	881	1,141	2,939	2,438
Farmington	13	16	37	55	495	622	1,375	1,897
Hobbs	1	3	10	16	135	362	600	1,210
Las Cruces	43	104	193	311	2,478	3,510	9,786	12,610
Los Alamos	9	5	17	35	1,300	500	2,170	2,652
Rio Rancho***	130	75	440	361	6,499	4,199	21,294	19,720
Roswell	9	10	37	40	466	432	1,594	2,450
Ruidoso	7	16	88	51	581	913	3,660	3,471
Santa Fe	64	29	138	82	3,157	1,981	8,327	5,047
NONRESIDENTIALr								
Alamogordo	4	7	24	32	50	417	259	935
Albuquerque	4	37	20	104	12,244	12,711	26,502	51,537
Carlsbad	10	17	33	44	37	356	296	1,019
Clovis	1	2	17	10	20	1,076	1,479	3,892
Farmington	3	4	11	12	650	264	1,746	670
Hobbs	1	0	10	3	650	0	1,585	218
Las Cruces	17	14	65	71	647	1,346	5,153	5,599
Los Alamos	21	3	33	7	264	7	3,391	11
Rio Rancho***	4	11	14	14	1,133	5,290	4,710	5,630
Roswell	8	15	28	42	796	65	874	213
Ruidoso	1	2	7	8	12	239	1,234	1,387
Santa Fe	21	9	30	-22	4,651	3,165	5,211	6,869

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr	APRILp	% CHANGE YEAR AGO	MARCHr
TOTAL CIVILIAN LABOR FORCE	666.3	3.6	660.7	252.7	4.6	251.8	53.7	8.5	52.7	62.1	7.5	61.0
Employment@	605.6	3.4	598.7	237.2	5.3	235.8	49.9	10.4	48.6	58 8	7.5	57.5
Unemployment	60.7	5.4	62.0	15.5	-4.9	16.0	3.8	-11.6	4.1	3.3	6.5	3.5
Unemployment rate (%)	9.1	2.3	9.4	6.1	-8.9	6.4	7.1	-17.4	7.7	5.3	-1.8	5.8
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	521.1	1.0	520.7	224.8	3.2	224.4	38.8	5.2	38.5	50.6	3.1	50.4
Mining	15.3	-27.8	16.4	0.3	50.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	36.1	-2.4	35.0	18.0	2.3	17.7	2.8	7.7	2.7	3.3	-2.9	3.2
Manufacturing	36.6	0.3	36.7	19.4	2.2	19.4	3.0	-3.2	3.0	1.6	14.3	1.6
Durable goods	23.9	0.0	24.0	13.9	2.3	13.9	1.3	8.4	1.3	0.9	12.5	0.9
Nondurable goods	12.7	0.8	12.7	5.5	1.9	5.5	1.7	-10.5	1.7	0.7	16.7	0.7
Transportation & public utilities	28.5	-5.9	28.8	12.2	0.9	12.2	1.4	0.0	1.4	1.2	9.1	1.2
Trade	125.6	6.4	125.0	57.0	5.6	57.1	8.1	11.0	8.0	9.7	10.3	9.7
Wholesale	22.9	0.5	22.9	14.2	1.5	14.2	0.8	0.0	0 8	0.7	0.0	0.7
Retail	102.7	7.8	102.1	42.8	7.0	42.9	7.3	12.4	7.2	9.0	11.2	9.0
Finance, insurance, & real estate	26.2	2.8	26.1	13.5	2.3	13.4	1.7	13.4	1.7	2.0	5.3	2.0
Services	116.1	3.9	116.1	59.1	3.4	58.9	5.7	9.7	5.7	12.5	3.4	12.2
Government	136.7	0.8	136.6	45.3	1.4	45.4	16.2	2.6	16.2	20.3	0.5	20.5
Federal	29.0	-2.6	28.8	12.8	0.8	12.7	4.6	0.0	4.7	1.4	-12.4	1.4
State	49.4	3.6	49.6	13.6	3.9	13.6	6.5	4.9	6.4	15.2	2.8	15.4
Local	58.3	0.2	58.2	18.9	0.0	19.1	5.1	2.0	5.1	3.7	-2.6	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

PER CAPITA INCOME[1]
NEW MEXICO COUNTIES

	1983	1984	% Change		1983	1984	% Change
Bernalillo	$11,300	$12,305	8.9	McKinley	$ 5,932	$ 6,148	3.6
Catron	6,338	6,828	7.7	Mora	4,629	4,699	1.5
Chaves	9,599	9,881	2.9	Otero	9,018	9,340	3.6
Cibola	5,313	5,957	12.1	Quay	9,193	10,169	10.6
Colfax	9,261	10,473	13.1	Rio Arriba	6,487	6,832	5.3
Curry	9,387	10,365	10.4	Roosevelt	7,419	8,544	15.2
De Baca	$ 8,352	$ 9,569	14.6	Sandoval	$ 9,580	$10,485	9.4
Dona Ana	8,091	8,176	1.1	San Juan	8,819	8,920	1.1
Eddy	9,871	10,287	4.2	San Miguel	6,093	6,340	4.1
Grant	8,027	9,129	13.7	Santa Fe	10,787	11,646	8.0
Guadalupe	6,048	6,683	10.5	Sierra	8,996	9,272	3.1
Harding	8,915	10,087	13.1	Socorro	6,446	6,689	3.8
Hidalgo	$ 8,267	$ 8,894	7.6	Taos	$ 7,876	$ 8,389	6.5
Lea	11,074	11,436	3.3	Torrance	6,618	7,192	8.7
Lincoln	9,985	10,254	2.7	Union	8,408	8,760	4.2
Los Alamos	18,313	20,082	9.7	Valencia	8,827	9,297	5.3
Luna	8,102	8,605	6.2				
				New Mexico	$ 9,611	$10,256	6.7

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1 By place of residence.
Source: U.S. Department of Commerce, Bureau of Economic Analysis.

1984-85 POPULATION ESTIMATES

Delays incurred by staff changes and budget cuts at the Census Bureau and revisions in the methodology have postponed release of the revised 1984 and provisional 1985 county population estimates. However, the estimates are now available.

Population estimates for 1984 and 1985 are not comparable to the published estimates for 1981, 1982, and 1983 due to methodological changes. The Census Bureau has revised the national and state estimates to incorporate an increased allowance for emigrants (160,000 annually compared to the previous estimates of 36,000) and an allowance for the *net* immigration of undocumented aliens (200,000 a year). The changes in the national estimates are distributed by state and county based on patterns of legal immigration between 1975 and 1980. A revised time series for the counties is expected later this fall. For further information contact the Data Bank at 277-6626.

Lynn Bodin Wombold
Senior Demographer

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NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 6
July 1986

New Mexico's Population at Mid-Decade

The report on the state's population trends at mid-decade represents both good news and bad news. New Mexico remains one of the ten fastest-growing states. From 1980 to 1985, the population increased by over 11 percent from 1,303,303 to 1,450,000. And twelve counties experienced more rapid growth than the state average: The fastest-growing counties from 1980 to 1985 were Sandoval with a population increase of 28.2 percent, Lincoln with 26.1 percent, and Dona Ana with 22.8 percent. So the population growth in New Mexico continues—despite decreases in oil and gas prices, layoffs in the mining industries, and the concomitant slowing of economic growth? Not exactly.

While about one-third of the counties experienced above-average growth in population, two-thirds of the counties underwent a slowing of growth or sustained a loss of population. Conspicuously, Bernalillo County was among those counties that experienced slower growth, which is a departure from its historical pattern of above-average increases. Among the counties that did grow more rapidly, most of the increase in population represented either a natural increase or a small numeric increase in a county with a small (less than 20,000) population base.

When reviewing population growth in New Mexico, it is useful to employ both an historical perspective and analysis of the components of population change to understand recent trends. Although the population increased from 1980 to 1985, the growth was slower than the rapid pace of the 1970s. Using the period from 1970 to 1980 for comparison, the rate of growth decreased from an annual average of 2.8 to 2.1 percent. With few exceptions (primarily in the southeastern corner), growth decelerated statewide.

Among the current metropolitan counties (Bernalillo, Dona Ana, Santa Fe, and Los Alamos), the rate of growth decreased from an annual average of 3.4 percent, 1970-1980, to 2.4 percent, 1980-1985. The decrease was less pronounced among nonmetropolitan counties, from 2.4 to 2.0 percent annually. However, the slowdown among nonmetropolitan counties was allayed by the rapid growth in the energy-producing counties earlier in the 1980s.

In fact, earlier growth raised the average rate of population change for most counties through 1985, but analysis of the components of change through 1984 indicates that the role of migration in population growth has been declining through the first half of the 1980s. Less than 40 percent of the growth in New Mexico's population can be attributed to migration in the 1980s—compared to over 50 percent in the 1970s. Similarly, natural increase (birth minus deaths), not migration, comprised over half of the growth in 19 counties through 1984. In Bernalillo County, for example, natural increase shifted from 35 percent of total growth ten years ago to over 50 percent currently. The relative decline in the contribution of migration to population growth in New Mexico reflects the consequences of both slow economic growth and higher fertility rates in many counties.

While New Mexico is hardly in the throes of another baby boom, many counties have experienced an increase in fertility rates and total births as a result of the "echo effect" of the post-World War II baby boom. Simply, the increase in the population affected by that baby boom is producing more births as the cohorts mature into child-bearing ages. Combining the increased number of couples in the child-bearing ages with the current tendency to delayed childbearing has produced a temporary increase in births. As the baby boom matures past the family formation stage, fertility rates will resume the long-term decline. However, in the short run, natural increase has contributed more to population growth as migration has decreased.

A weak economy further depressed population growth from 1984 to 1985. Although estimates for 1985 are still provisional, rates of growth are significantly lower than the 1980-1984 average for most counties. Comparison with the components of change from 1981 through 1983 will certainly demonstrate the further reduction in migration recently; however, annual comparisons of population change in the 1980s are preliminary.

Revisions in the methodology, which have been incorporated in the 1984-1985 population estimates, have changed estimates of net immigration for all areas. Population estimates in the 1980s are being adjusted now to include estimates of undocumented immigrants—to the extent that they were included in 1980 census counts—and revised estimates of emigration from the United States. Based upon data from the April, 1983, Current Population Survey (which included special questions on immigration and citizenship), undocumented immigration is estimated at a net gain of 200,000 per year; emigration, at 160,000 annually, which represents an increase from previous estimates of 36,000 annually. The U.S. Bureau of Census national estimates are being distributed locally by 1980 census estimates of immigration between 1975 and 1980. Nationally, the net effect of these revisions, + 76,000, is nominal, and in New Mexico, no significant effects are anticipated. However, since the net adjustments are added to estimates of net immigration which are taken from data provided by Immigration and Naturalization Service, it is *not* possible to derive separate estimates of net undocumented immigration to New Mexico.

Revised population estimates for New Mexico and the counties, 1980-1985, are expected to be available later this fall.

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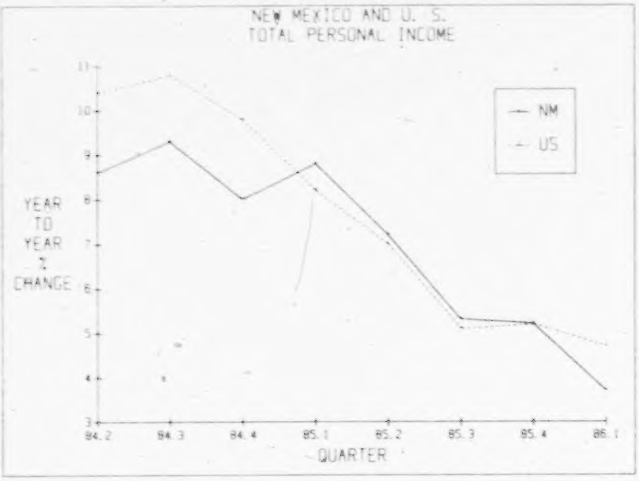
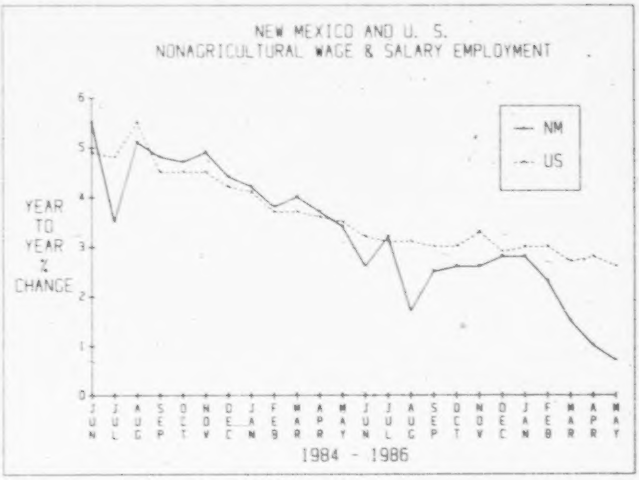
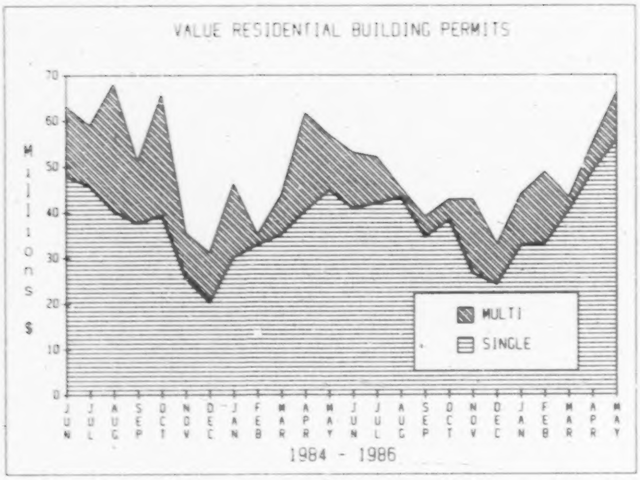
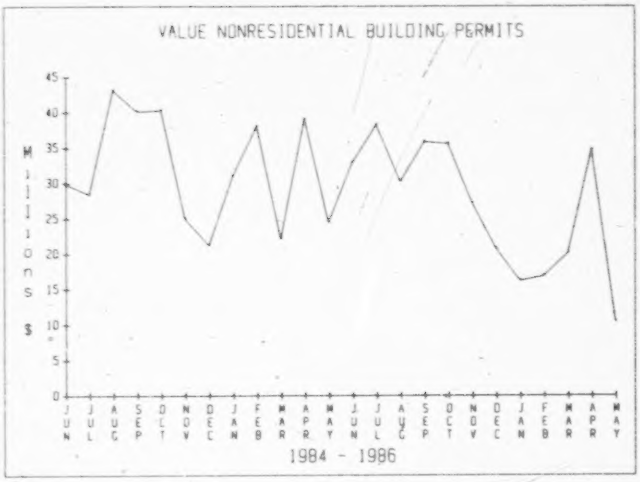
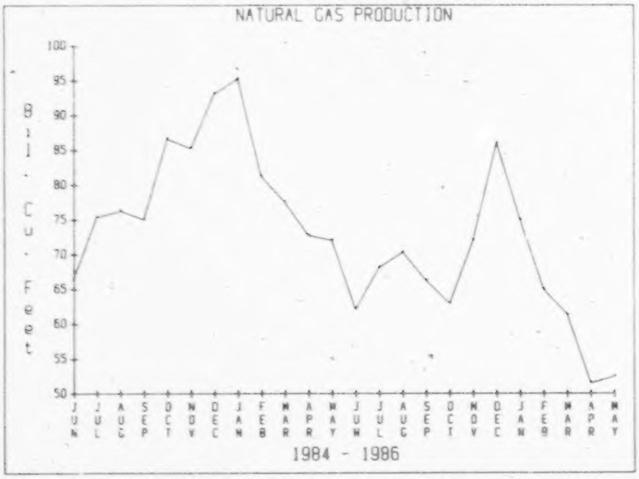
ECONOMIC TRENDS IN NEW MEXICO

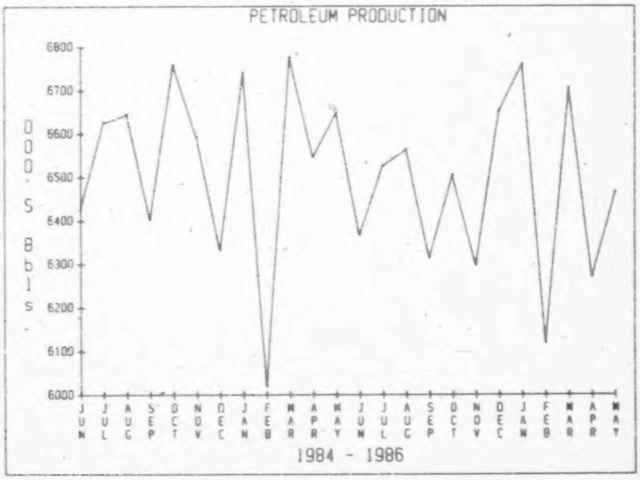












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/ QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	May 86	326.3	1.6	325.3
Food and beverages	May 86	309.4	2.8	308.5
Housing	May 86	358.5	2.9	358.0
Apparel and upkeep	May 86	206.4	0.5	207.3
Transportation	May 86	305.7	-4.9	303.3
Medical care	May 86	429.7	7.6	428.0
Entertainment	May 86	272.9	3.5	272.3
Other goods and services	May 86	342.1	6.1	341.8
Revised series, wage earners and clerical workers (1967=100)				
All items	May 86	321.4	1.1	320.4
Gross national product* ($Bil. constant)	I 86	3616.9	2.0	3590.8
Prime interest rate** (% per annum)	May 86	8.5	-14.9	8.5
Mortgage interest rate*** (% per annum)	May 86	10.2	-15.1	10.3
3 month treasury bill# (% per annum)	May 86	6.1	-19.0	6.1
Industrial production## (1977=100)	May 86	124.2	0.1	125.0
Manufacturers new orders## ($Bil.)	Apr 86	193.2	1.1	193.0

NEW MEXICO AND U.S. COMPARISONS

		NEW MEXICO			UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	May 86	613.5	4.2	605.7	109,041	2.1	108,201
Unemployment rate (%)	May 86	9.0	2.3	9.1	7.0	0.0	7.0
Nonagricultural employment (000)	May 86	522.9	0.7	521.4	100,333	2.2	99,553
Personal income### ($Mil.)	I 86	15,919	3.7	15,762	3,304,609	4.7	3,268,081
Housing units permitted							
Single	May 86	826	19.9	753	109,577	12.5	114,023
Multi	May 86	444	-17.6	295	60,840	-16.8	65,982

Note: Selected data items subject to revision.
N Not available.
* 1982 dollars at seasonally adjusted annual rates.
** Closing rate for month.
*** Effective rate (in the primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assumed, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.

Sources: U. S. Department of Labor, News: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data.
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	May 86	674.1	4.4	666.7	2.8
Total employment* (000)	May 86	613.5	4.2	605.7	1.7
Unemployment* (000)	May 86	60.6	6.2	61.0	14.5
Unemployment rate (%)	May 86	9.0	2.3	9.2	11.3
Weekly new unemployment insurance claims	May 86	1561.0	19.9	1893.0	4.6
Nonagricultural wage/salary employment**(000)	May 86	522.9	0.7	521.4	2.2
New business incorporations	Mar 86	178.0	-38.4	186.0	-6.0
Personal income*** ($ mil.)	I 86	15919.0	3.7	15762.0	5.4
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Mar 86	56.8	-6.7	48.2	0.7
Crops ($ mil.)	Mar 86	15.9	-33.1	11.8	11.4
Total ($ mil.)	Mar 86	72.7	-14.1	60.0	4.2
3. MINING					
Employment** (000)	May 86	14.7	-28.9	15.3	-12.8
Average hourly earnings ($)	May 86	11.91	1.8	12.47	2.6
Petroleum production (000 bbls.)	May 86	6465.4	-2.7	6269.0	-1.2
Natural gas production (bil. cu. ft.)	May 86	52.5	-27.0	51.5	-17.1
Coal production (000 short tons)	May 86	1398.0	-21.7	1723.0	-11.5
Oil well completions&	May 86	73.0	-31.7	55.0	-8.0
Gas well completions&	May 86	41.0	2.5	32.0	32.5
Total footage drilled&& (000)	May 86	790.9	-15.9	669.3	5.6
Oil sales ($ mil.)	Apr 86	76.9	-52.1	96.4	-15.6
Gas sales ($ mil.)	Apr 86	92.1	-49.9	129.6	-20.9
4. CONSTRUCTION					
Employment** (000)	May 86	37.3	-2.3	36.1	-1.1
Average hourly earnings ($)	May 86	10.77	2.1	10.93	-3.9
Residential units permitted	May 86	1270.0	3.5	1048.0	-17.4
Residential building permits ($ mil.)	May 86	66.2	16.2	55.2	-8.5
Nonresidential building permits ($ mil.)	May 86	10.4	-57.3	34.7	-17.4
Residential construction contracts ($ mil.)	May 86	60.1	-14.5	73.7	-6.7
Nonresidential construction contracts ($mil.)	May 86	19.1	-64.8	55.1	-21.2
Nonbuilding construction contracts ($ mil.)	May 86	14.3	-45.6	49.0	5.9
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	May 86	28.6	-5.6	28.7	-2.6
Average hourly earnings## ($)	May 86	11.18	2.2	11.17	4.7
6. MANUFACTURING					
Employment** (000)	May 86	37.1	0.6	36.6	1.3
Average hourly earnings ($)	May 86	8.48	1.9	8.65	4.9
Electric & electronic equipment employment** (000)	May 86	6.5	-1.5	6.5	-1.8
Transportation equipment employment** (000)	May 86	4.1	2.5	4.0	13.9
Food & kindred products employment** (000)	May 86	4.2	7.7	4.1	4.9
Textile & apparel employment** (000)	May 86	2.4	0.0	2.4	0.0
Lumber & wood products employment** (000)	May 86	2.7	8.0	2.5	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12 MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	May 86	22.9	0.0	22.9	2.3
Retail employment** (000)	May 86	104.5	6.8	102.8	6.4
Average hourly earnings ($)	May 86	6.69	0.0	6.74	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	May 86	26.2	2.0	26.1	2.6
Bank average hourly earnings ($)	May 86	5.39	-1.2	5.77	3.8
Bank total assets ($ mil.)	II 85	9181.8	6.2	8935.8	5.4
Bank total deposits ($mil.)	II 85	7955.6	7.9	7783.7	5.9
Bank gross loans ($ mil.)	II 85	5466.4	9.4	5370.6	12.2
S & L total assets ($ mil.)	May 86	5338.4	16.7	5259.0	14.9
S & L total deposits ($ mil.)	May 86	4271.0	12.8	4240.1	16.4
S & L new mortgage loans closed&&& ($ mil.)	May 86	189.0	61.6	167.7	9.9
9. SERVICES AND TOURISM					
Total service employment** (000)	May 86	116.5	3.3	116.1	5.6
Lodging employment** (000)	May 86	12.2	11.0	12.0	9.4
Eating & drinking places employment** (000)	May 86	37.0	4.9	36.0	6.7
Visits to state parks (000)	Mar 86	505.5	65.7	230.8	10.1
Visits to national parks/monuments (000)	Apr 86	151.1*	-0.5	215.8	8.8
Passenger traffic at Albuquerque airport@ (000)	May 86	360.6	8.7	314.5	8.6
Lodgers tax receipts ($ 000)	IV 85	1734.7	N	2074.3	N
Lodging occupancy rates (%)	May 86	61.0	-11.4	52.7	-9.6
10. GOVERNMENT					
Total government employment** (000)	May 86	135.1	0.9	136.8	1.1
Federal employment** (000)	May 86	29.4	-2.3	29.0	-2.0
State employment** @@ (000)	May 86	47.6	3.5	49.6	3.8
Local employment** (000)	May 86	58.1	0.6	58.2	0.8
Total general fund revenues@@@ ($ mil.)	Apr 86	124.2	11.2	131.3	4.1

Note: selected data items subject to revision.

N Not available.

* Number of persons by place of residence.

** Number of jobs by place of work.

*** Quarterly data seasonally adjusted at annual rates.

& These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.

&& Oil and gas combined.

&&& New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.

For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.

Communications and utilities only.

@ Passenger traffic includes enplanements and deplanements.

@@ This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL is 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.

@@@ Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* MAR-MAY	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* DEC-FEB
Alamogordo	$ 12,599	0.3	$ 15,072
Albuquerque	198,488	0.5	249,190
Artesia	4,523	-17.6	6,885
Carlsbad	11,809	-1.7	14,387
Clovis	15,075	8.5	18,019
Deming	4,552	1.4	4,869
Espanola	6,626	-3.1	7,296
Farmington	25,335	-5.2	33,139
Gallup	20,071	11.9	21,175
Hobbs	16,994	-20.8	24,724
Las Cruces	30,650	-1.9	35,837
Las Vegas	5,399	3.7	6,064
Los Alamos	5,651	4.3	6,357
Lovington	3,707	-35.7	4,604
Portales	4,636	-15.3	5,813
Roswell	17,814	-3.4	20,965
Ruidoso	4,[illegible]75	-5.5	5,392
Santa Fe	36,941	2.2	46,464
Silver City	7,376	18.8	7,296
Taos	5,898	4.4	6,784
State total	573,984	2.3	670,001

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
			CUMULATIVE TOTAL THROUGH MAY				CUMULATIVE TOTAL THROUGH MAY	
	MAY 1986	MAY 1985	1986	1985	MAY 1986	MAY 1985	1986	1985
RESIDENTIAL**								
Alamogordo	22	39	122	116	$ 1,067	$ 1,309	$ 5,541	$ 4,373
Albuquerque	660	515	2,904	2,630	28,312	20,432	112,030	102,909
Carlsbad	8	5	30	20	364	288	1,489	971
Clovis	13	8	73	57	835	467	3,775	2,905
Farmington	3	13	40	68	104	539	1,479	2,436
Hobbs	0	4	10	20	0	141	600	1,351
Las Cruces	40	37	233	348	1,946	2,008	11,732	14,617
Los Alamos	9	8	26	43	1,235	832	3,405	3,484
Rio Rancho***	111	302	551	663	5,160	16,691	26,454	36,412
Roswell	4	19	41	59	182	597	1,776	3,046
Ruidoso	8	19	96	70	613	1,584	4,273	5,054
Santa Fe	34	124	172	206	2,016	4,791	10,343	9,842
NONRESIDENTIALr								
Alamogordo	0	13	24	56	0	163	259	1,125
Albuquerque	1	45	21	186	511	6,662	27,013	58,388
Carlsbad	10	31	43	87	20	90	316	1,153
Clovis	1	7	18	29	35	250	1,514	4,188
Farmington	2	2	13	14	685	197	2,432	868
Hobbs	0	1	10	4	0	135	1,585	353
Las Cruces	18	20	83	115	542	1,118	5,695	6,775
Los Alamos	1	6	34	16	260	38	3,651	87
Rio Rancho***	2	0	16	14	455	0	5,165	5,630
Roswell	14	26	42	81	267	247	1,141	484
Ruidoso	2	20	7	42	58	252	1,272	1,717
Santa Fe	3	14	33	42	380	2,301	5,591	9,239

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	MAY p	% CHANGE YEAR AGO	APRIL r	MAY p	% CHANGE YEAR AGO	APRIL r	MAY p	% CHANGE YEAR AGO	APRIL r	MAY p	% CHANGE YEAR AGO	APRIL r
TOTAL CIVILIAN LABOR FORCE	674.1	4.4	666.7	253.2	4.9	252.7	55.9	10.1	54.0	63.1	7.4	62.1
Employment@	613.5	4.2	605.7	237.9	5.6	237.2	51.8	12.4	50.1	60.0	7.6	58.8
Unemployment	60.6	6.2	61.0	15.3	-4.9	15.5	4.1	-10.8	3.9	3.2	6.7	3.3
Unemployment rate (%)	9.0	2.3	9.2	6.0	-10.4	6.1	7.3	-19.7	7.2	5.0	-1.9	5.3
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	522.9	0.7	521.4	224.3	2.4	224.8	39.1	7.2	38.9	51.5	2.8	50.4
Mining	14.7	-28.9	15.3	0.3	0.0	0.3	N	N	N	0.2	0.0	0.2
Contract construction	37.3	-2.3	36.1	18.3	1.2	17.9	2.9	7.5	2.8	3.4	22.8	3.2
Manufacturing	37.1	0.6	36.6	19.3	1.1	19.4	3.1	0.0	3.0	1.6	6.7	1.5
Durable goods	24.2	0.0	23.8	13.8	1.5	13.9	1.4	7.7	1.3	0.9	0.0	0.9
Nondurable goods	12.9	1.6	12.8	5.5	0.0	5.5	1.7	-5.5	1.7	0.7	16.7	0.6
Transportation & public utilities	28.6	-5.6	28.7	12.0	-0.8	12.2	1.4	0.0	1.4	1.2	9.1	1.2
Trade	127.4	5.5	125.7	57.6	4.8	57.0	8.1	11.0	8.1	9.9	8.8	9.6
Wholesale	22.9	0.0	22.9	14.2	0.0	14.2	0.8	0.0	0.8	0.7	0.0	0.7
Retail	104.5	6.8	102.8	43.4	6.4	42.8	7.3	12.4	7.3	9.2	9.6	8.9
Finance, insurance, & real estate	26.2	2.0	26.1	13.6	2.3	13.5	1.7	- 6.3	1.7	2.0	0.0	2.1
Services	116.5	3.3	116.1	58.8	2.5	59.1	5.5	10.0	5.7	13.1	2.4	12.4
Government	135.1	0.9	136.8	44.4	1.2	45.4	16.5	6.5	16.3	20.2	1.0	20.3
Federal	29.4	-2.3	29.0	12.7	0.0	12.8	4.6	2.3	4.6	1.4	-12.4	1.4
State	47.6	3.5	49.6	12.7	3.3	13.6	6.8	13.4	6.6	15.1	1.4	15.2
Local	58.1	0.6	58.2	19.0	0.6	18.9	5.1	2.0	5.1	3.7	5.8	3.7

N Not available, less than 50 jobs.
p. Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

Population Estimates for New Mexico Counties: 1980-1985

	July 1, 1985	April 1, 1980	Change: 1980-1985 Number	Percent		July 1, 1985	April 1, 1980	Change: 1980-1985 Number	Percent
Bernalillo	464,300	420,262	44,000	10.5	Mora	4,600	4,205	400	8.8
Catron	2,800	2,720	z	1.8	Otero	49,400	44,665	4,700	10.5
Chaves	56,500	51,103	5,400	10.6	Quay	11,700	10,577	1,100	10.4
Cibola	25,300	30,346	(5,000)	-16.5	Rio Arriba	32,400	29,282	3,100	10.8
Colfax	14,300	13,667	600	4.6	Roosevelt	16,500	15,695	800	4.9
Curry	42,600	42,019	600	1.5	Sandoval	44,100	34,400	9,700	28.2
DeBaca	2,400	2,454	(100)	-3.1	San Juan	91,100	81,433	9,700	11.9
Dona Ana	118,300	96,340	22,000	22.8	San Miguel	24,800	22,751	2,100	9.2
Eddy	52,500	47,855	4,700	9.8	Santa Fe	84,600	75,519	9,100	12.1
Grant	27,300	26,204	1,100	4.2	Sierra	9,500	8,454	1,100	12.5
Guadalupe	4,400	4,496	z	-1.4	Socorro	13,600	12,566	1,000	8.1
Harding	1,000	1,090	(100)	-7.9	Taos	21,900	19,456	2,400	12.4
Hidalgo	6,200	6,049	100	2.4	Torrance	8,600	7,491	1,100	14.7
Lea	65,500	55,993	9,500	17.0	Union	5,100	4,725	300	7.4
Lincoln	13,900	10,997	2,900	26.1	Valencia	35,900	30,769	5,100	16.5
Los Alamos	18,400	17,599	800	4.4					
Luna	17,500	15,585	2,000	12.6					
McKinley	63,300	56,536	6,700	11.9	New Mexico	1,450,000	1,303,303	147,000	11.3

---

z: Less than 50 persons or 0.05-percent.
Source: U.S. Bureau of the Census

Population Estimates for New Mexico Counties: 1980-1984

			Change 1980-1984		Components of Change: 1980-1984			
							Net Migration	
County	July 1,1984	April 1,1980	Number	Percent	Births	Deaths	Number	Percent
New Mexico	1,426,000	1,303,303	+122,900	9.4%	115,300	38,500	46,100	3.5%
Bernalillo	456,400	420,262	36,100	8.6%	32,300	11,500	15,300	3.6%
Catron	2,800	2,720	100	4.0%	200	100	z	1.7%
Chaves	56,400	51,103	5,300	10.3%	4,600	2,100	2,800	5.5%
Cibola	24,700	30,346	(5,600)	-18.5%	2,700	600	(7,800)	-25.7%
Colfax	14,200	13,667	600	4.1%	1,000	400	z	0.1%
Curry	43,200	42,019	1,200	2.8%	4,000	1,300	(1,500)	-3.5%
DeBaca	2,400	2,454	(100)	-2.5%	200	100	(100)	-3.3%
Dona Ana	114,400	96,340	18,000	18.7%	8,600	2,300	11,800	12.2%
Eddy	52,400	47,855	4,600	9.[illegible]%	4,300	1,800	2,000	4.2%
Grant	27,300	26,204	1,100	4.2%	2,300	800	(400)	-1.5%
Guadalupe	4,500	4,496	z	1.0%	400	200	(200)	-3.7%
Harding	1,000	1,090	(100)	-5.2%	100	z	(100)	-6.3%
Hidalgo	6,300	6,049	200	4.0%	600	200	(100)	-2.2%
Lea	65,000	55,993	9,000	16.1%	6,400	1,800	4,500	8.0%
Lincoln	13,700	10,997	2,700	24.8%	1,000	400	2,200	19.9%
Los Alamos	18,000	17,599	400	2.4%	900	300	(200)	-0.9%
Luna	17,500	15,585	1,900	12.0%	1,300	800	1,400	8.7%
McKinley	61,400	56,536	4,800	8.6%	7,100	1,500	(800)	-1.5%
Mora	4,500	4,205	300	7.8%	300	200	200	3.6%
Otero	48,700	44,665	4,000	8.9%	4,500	1,100	700	1.5%
Quay	11,600	10,577	1,000	9.4%	700	500	800	7.4%
Rio Arriba	32,100	29,282	2,800	9.5%	2,800	900	900	3.0%
Roosevelt	16,500	15,695	800	5.3%	1,300	600	100	0.9%
Sandoval	39,800	34,400	5,400	15.7%	3,200	1,000	3,200	9.2%
San Juan	91,700	81,433	10,300	12.6%	10,100	1,900	2,100	2.6%
San Miguel	24,500	22,751	1,800	7.9%	2,000	800	600	2.4%
Santa Fe	82,800	75,519	7,200	9.6%	5,500	2,100	3,800	5.0%
Sierra	9,300	8,454	900	10.4%	400	700	1,100	12.8%
Socorro	13,600	12,566	1,000	8.0%	1,100	400	300	2.4%
Taos	21,700	19,456	2,200	11.4%	1,900	600	900	4.8%
Torrance	8,300	7,491	800	11.1%	600	200	500	6.9%
Union	5,200	4,725	500	10.1%	400	200	400	7.4%
Valencia	34,400	30,769	3,600	11.6%	2,700	1,000	1,900	6.1%

z: Less than 50 persons or 0.05 percent.
Source: U.S. Bureau of the Census and Bureau of Business and Economic Research, University of New Mexico.

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10/14/86 K 7980-1

NEW MEXICO BUSINESS

CURRENT ECONOMIC REPORT

Vol. 7 No. 7
August 1986

Current Economic Developments in New Mexico

The spectre of long-awaited tax reform has arrived. Congress is expected to pass the tax bill approved in committee that will transfer some burden from individuals to corporations, resulting in two individual rates, 15 and 28 percent. Features of tax reform will include a curb on deductibility of consumer interest, a minimum corporate tax and a reduction of tax shelters. Mortgage interest and property taxes will still be deductible as will be state income tax, but not sales taxes.

The nation's GNP growth stalled at 0.6 percent in the second quarter. Responsible for the slowdown were the initial negative impact of layoffs and lower capital investment in the oil industry and the bloated current account (trade deficit). Consumers, benefitting from lower inflation, energy prices, interest rates, ample credit, and rising real income, are spurring the economy. With lackluster economic performance and the fear of reigniting inflation subsiding, the Federal Reserve pared the discount rate to 5.5 percent as a stimulus. However, the usual multiplier of consumer spending is not benefitting domestic industrial producers. This gap between consumer purchases and industrial output is being swallowed by imports. In effect, Americans are exporting the demand multiplier overseas. Lower interest rates have stimulated homebuilding to some extent but not industrial investment. Since the nation's plants are operating at 78 percent of capacity, thay lack the incentive to invest.

Yet while nominal interest rates have descended, real interest rates (the difference between inflation and nominal rates) remain historically fat and so far are barely budging. The upside of high real interest rates is that the U.S. attracts foreign capital and investment, which permits easier financing of the large federal deficit and shelves a possible credit crunch for consumers.

As a result of setbacks in the resource industries the New Mexico economy is trudging along with a slight 0.8 percent rise in nonagricultural employment in June over a year ago. That feeble performance compares to a 3.1 percent growth rate in 1985. Meanwhile, the state unemployment rate climbed from 9.1 percent in May to 9.7 percent in June. Personal income growth of 3.7 percent during the first quarter advanced at a slower pace than 1985's rate of 6.6 percent, and it trails the U.S.

Bad news in the state's troubled mining sector continues to pour in, as the sector has lost 25.3 percent of its jobs from June against a year ago, and for a historical view about half of the sector's jobs were axed since the 1981 peak. Against June a year ago, petroleum production is down 1.3 percent, natural gas 16.2 percent and coal 14.0 percent. During the same period well completions and oil and gas sales plunged. In addition to the state's oil patch woes, reduced income effects from the Molycorp layoff are pinching Taos area businesses. Seeing the writing on the wall, copper workers at Kennecott Corp. in Silver city accepted a 23 percent slash in pay and benefits. Gallup experienced a 70 worker layoff in the coal industry. The Hobbs area received a bit of good news as AMOCO and ARCO announced plans to construct carbon dioxide plants nearby in Texas.

Activity in New Mexico's construction sector is mixed with a 1.5 percent drop in jobs in June over a year ago. The last twelve month average compared to the previous one showed a 13.0 percent decline in permitted residential units. During the same twelve month average, residential construction contracts fell 2.5 percent and nonresidential contracts slid 17.6 percent, while nonbuilding contracts rose 7.1 percent. Weakness in the multi-family market was offset by strength in the single-family market, particularly in Albuquerque. The pace of construction increased from May to June because of heightened seasonal activity.

Employment in the manufacturing sector registered a slight 0.5 percent decline in June against a year ago. Brighter industries within the sector include a 7.5 percent job gain in food and kindred products, a 4.4 percent rise in textile and apparel jobs, and a 3.9 percent increase in lumber and wood products in June over last year. However, it will be some time before the lower dollar stimulates exports enough to benefit the electronics and semiconductor industry and its prospects for expansion, notable in the Albuquerque area.

Government employment still displays weak growth with total government jobs up just 1.5 percent in June over last year. Only state government employment showed a modest 3.8 percent job gain over the same period. The decline in state government jobs from May to June results from seasonal student layoffs at state universities.

The finance, insurance, and real estate sector in the state grew modestly with a 2.4 percent increase in employment in June over a year ago. The transportation, communications and utilities sector has clipped jobs, with a 6.5 percent drop over a year ago, attributed to PNM's cost-cutting measures and the strike at AT&T.

The trade and service sectors, buoyed by consumer spend-

(Continued on page 8)

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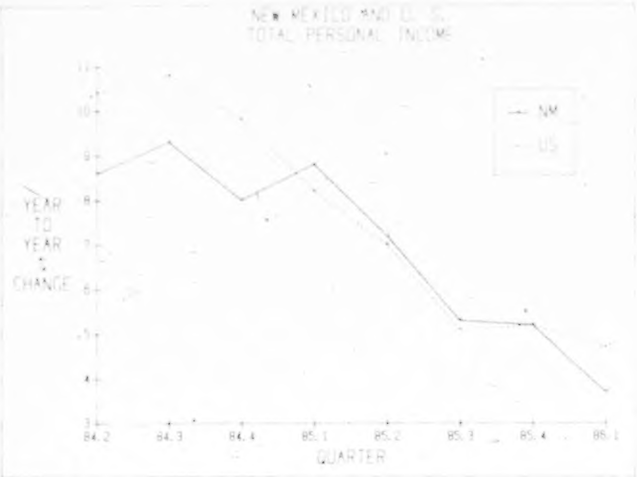
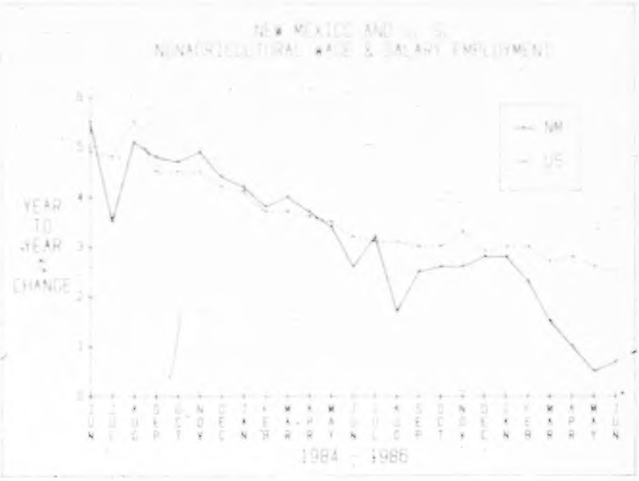
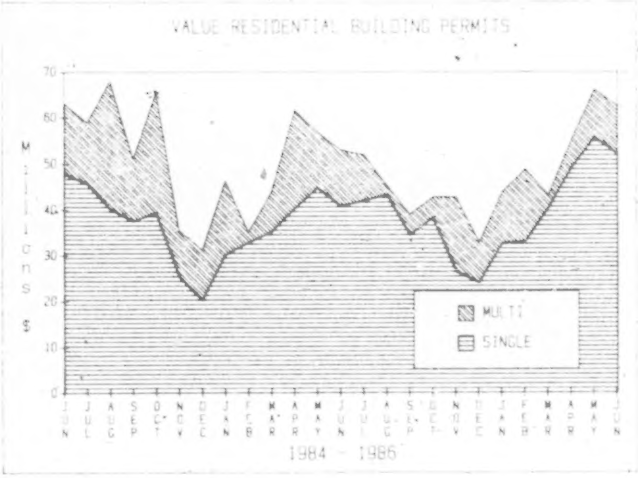
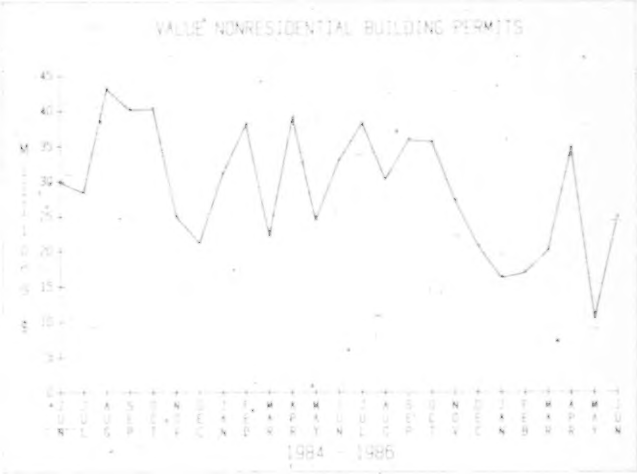
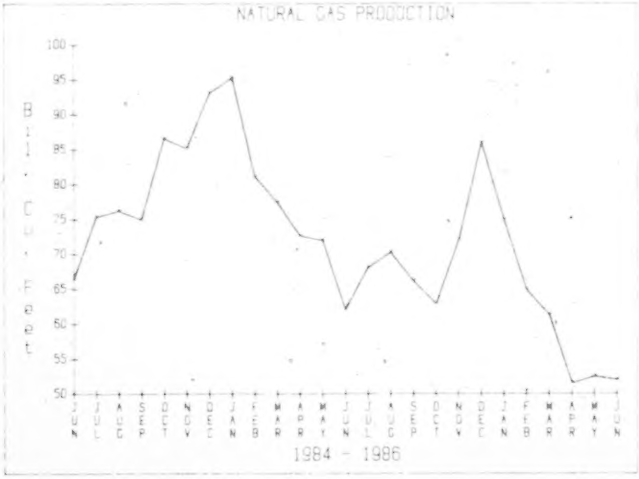
ECONOMIC TRENDS IN NEW MEXICO

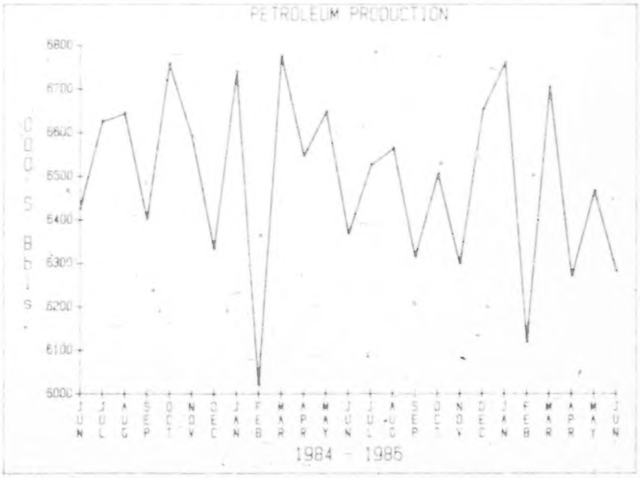












U.S. ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Consumer price index				
All urban consumers (1967=100)				
All items	Jun 86	327.9	1.7	326.3
Food and beverages	Jun 86	309.5	2.2	309.4
Housing	Jun 86	361.2	3.1	358.5
Apparel and upkeep	Jun 86	204.5	0.9	206.4
Transportation	Jun 86	308.8	-4.1	305.7
Medical care	Jun 86	432.0	7.5	429.7
Entertainment	Jun 86	271.9	3.5	272.9
Other goods and services	Jun 86	392.6	6.1	392.1
Urban wage earners and clerical workers (1967=100)				
All items	Jun 86	323.0	1.3	321.4
Gross national product* ($bil, constant)	II 86	3665.7	2.8	3655.9
Prime interest rate** (% per annum)	Jun 86	8.5	-10.5	8.5
Mortgage interest rates*** (% per annum)	Jun 86	10.3	-11.7	10.2
Treasury bill rate# (% per annum)	Jun 86	6.2	-17.4	6.1
Industrial production index## (1977=100)	Jun 86	124.1	-0.1	124.7
Manufacturers' new orders## ($bil.)	Jun 86	191.5	-1.4	192.3

NEW MEXICO AND U.S. COMPARISONS

	NEW MEXICO				UNITED STATES		
	CURRENT MO/QTR	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	CURRENT MO/QTR DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA
Employment (000)	Jun 86	[illegible]	5.8	612.9	110,869	2.9	109,041
Unemployment rate (%)	Jun 86	9.7	5.6	9.1	7.3	-2.6	7.0
Nonagricultural employment (000)	Jun 86	525.0	0.8	522.0	100,728	2.5	100,333
Personal income### ($M)	I 86	15,919	4.7	15,762	3,304,609	4.7	3,268,061
Housing units authorized							
Single	Jun 86	368	35.1	626	110,287	24.9	109,577
Multi	Jun 86	659	11.2	468	171,263	155.0	60,840

Note: Indicated data subject to revision.
NA Not available.
* Quarterly data, at seasonally adjusted annual rates.
** Average rate for month.
*** Effective rate on new homes (primary market) on conventional mortgages, reflecting fees and charges as well as contract rate and assuming, on the average, repayment at end of 10 years.
# Rate on new issues within period; bank discount basis.
## Monthly data seasonally adjusted.
### Quarterly data seasonally adjusted at annual rates.
Sources: U. S. Department of Labor, BLS: CPI data;
New Mexico Employment Security Department and U. S. Bureau of Labor Statistics: employment and unemployment data;
U. S. Department of Commerce, Bureau of Economic Analysis: income data;
U. S. Department of Commerce, Bureau of the Census: construction data.
U. S. Council of Economic Advisors, Economic Indicators: all other data.

NEW MEXICO ECONOMIC INDICATORS

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12-MONTH AVERAGES
1. GENERAL					
Civilian labor force* (000)	Jun 86	686.3	5.5	676.0	3.0
Total employment* (000)	Jun 86	620.0	5.0	617.9	2.1
Unemployment* (000)	Jun 86	66.3	10.5	61.1	11.1
Unemployment rate (%)	Jun 86	9.7	5.5	9.1	9.8
Weekly new unemployment insurance claims	Jun 86	1851.0	66.8	1561.0	10.8
Nonagricultural wage/salary employment**(000)	Jun 86	525.0	0.8	522.0	2.1
New business incorporations	Apr 86	269.0	-5.6	328.0	-5.7
Personal income*** ($ mil.)	I 86	15919.0	3.7	15762.0	5.6
2. AGRICULTURAL RECEIPTS					
Livestock and products ($ mil.)	Apr 86	40.9	-39.5	56.8	-3.6
Crops ($ mil.)	Apr 86	[illegible]	[illegible]	15.9	8.7
Total ($ mil.)	Apr 86	59.8	-32.6	72.7	0.6
3. MINING					
Employment** (000)	Jun 86	16.1	-25.1	16.5	-14.3
Average hourly earnings ($)	Jun 86	12.69	[illegible]	12.49	4.6
Petroleum production (000 bbls.)	Jun 86	6279.6	-1.3	6465.4	-1.3
Natural gas production (bil. cu. ft.)	Jun 86	52.0	-16.2	52.5	-17.8
Coal production (000 short tons)	Jun 86	1462.0	-14.0	1394.0	-9.5
Oil well completions&	Jun 86	19.0	-59.1	33.0	-9.3
Gas well completions&	Jun 86	18.0	-80.8	41.0	26.2
Total footage drilled& (000)	Jun 86	206.3	-66.6	265.9	0.2
Oil sales ($ mil.)	Apr 86	76.9	-52.1	96.9	-15.6
Gas sales ($ mil.)	Apr 86	92.1	-59.9	129.6	-20.9
4. CONSTRUCTION					
Employment** (000)	Jun 86	18.3	-1.5	17.1	-1.3
Average hourly earnings ($)	Jun 86	10.85	3.6	10.76	4.9
Residential units permitted	Jun 86	1627.0	35.4	1270.0	-13.0
Residential building permits ($ mil.)	Jun 86	62.6	17.9	50.2	-9.4
Nonresidential building permits ($ mil.)	Jun 86	35.0	-16.3	50.4	-18.7
Residential construction contracts ($ mil.)	Jun 86	70.4	0.6	65.6	-2.5
Nonresidential construction contracts ($mil.)	Jun 86	69.8	53.8	20.6	-17.6
Nonbuilding construction contracts ($ mil.)	Jun 86	29.9	90.1	14.8	7.1
5. TRANSPORTATION/COMMUNICATION/UTILITIES					
Employment** (000)	Jun 86	27.3	-6.5	28.6	-2.9
Average hourly earnings## ($)	Jun 86	11.50	5.2	11.30	6.7
6. MANUFACTURING					
Employment** (000)	Jun 86	37.2	-0.5	37.0	1.1
Average hourly earnings ($)	Jun 86	8.42	-0.4	8.65	4.9
Electric & electronic equipment employment** (000)	Jun 86	6.6	0.0	6.5	-2.1
Transportation equipment employment** (000)	Jun 86	4.1	-2.3	4.1	10.9
Food & kindred products employment** (000)	Jun 86	4.3	7.5	4.2	4.9
Textile & apparel employment** (000)	Jun 86	2.4	4.4	2.3	0.0
Lumber & wood products employment** (000)	Jun 86	2.7	3.9	2.6	0.0

NEW MEXICO ECONOMIC INDICATORS (continued)

	CURRENT MO/QTR	CURRENT DATA	% CHANGE YEAR AGO	PREVIOUS MO/QTR DATA	% CHANGE# 12-MONTH AVERAGES
7. TRADE					
Wholesale employment** (000)	Jun 86	21.2	-0.6	22.9	1.8
Retail employment** (000)	Jun 86	106.2	8.0	104.0	6.4
Average hourly earnings ($)	Jun 86	6.21	1.0	6.85	1.6
8. FINANCE/INSURANCE/REAL ESTATE					
Employment** (000)	Jun 86	26.5	-2.6	26.2	2.5
Bank average hourly earnings ($)	Jun 86	5.76	5.0	5.66	3.7
Bank total assets ($ mil.)	Q1 86	9181.8	6.2	8915.8	5.4
Bank total deposits ($mil.)	Q1 86	7955.6	7.9	7282.7	5.9
Bank gross loans ($ mil.)	Q1 85	5665.9	9.4	5270.6	12.2
S & L total assets ($ mil.)	Jun 86	6097.1	16.1	5517.1	15.1
S & L total deposits ($ mil.)	Jun 86	5102.8	11.8	4871.1	15.8
S & L new mortgage loans (closed)aaa ($ mil.)	Jun 86	133.1	-16.0	189.0	6.4
9. SERVICES AND TOURISM					
Total service employment** (000)	Jun 86	119.1	1.5	116.8	5.4
Lodging employment** (000)	Jun 86	13.1	13.5	15.6	10.3
Eating & drinking places employment** (000)	Jun 86	38.1	6.5	36.7	9.0
Visits to state parks (000)	Jun 86	723.7	10.2	588.9	12.0
Visits to national parks/monuments (000)	Jun 86	351.8	1.3	201.3	12.6
Passenger traffic at Albuquerque airport@ (000)	Jun 86	368.5	1.1	359.8	8.5
Lodgers' tax receipts ($ 000)	Q1 86	1110.3	N	[illegible]	N
Lodging occupancy rates (%)	Jun 86	63.4	-10.9	71.6	-10.2
10. GOVERNMENT					
Total government employment** (000)	Jun 86	131.1	3.5	129.8	3.1
Federal employment** (000)	Jun 86	23.0	-0.9	23.1	-2.0
State employment** && (000)	Jun 86	54.6	1.8	47.6	1.8
Local employment** (000)	Jun 86	53.2	3.1	58.1	0.6
Total general fund revenues&&& ($ mil.)	May 86	114.6	21.2	124.2	5.9

Note: - Underlined data items subject to revision.
N Not available.
* Number of persons by place of residence.
** Number of jobs by place of work.
*** Quarterly data seasonally adjusted at annual rates.
a These include wells that are in the following categories: new drillings, deepened, plugged back, reentry and additional zone.
aa Oil and gas combined.
aaa New mortgage loans closed equals the previously carried item "Total loans closed" plus a relatively insignificant additional loan category.
# For example, in the report that contained June 1985 figures this would be the percent change in the average of July 1983 to June 1984 data versus the average of July 1984 to June 1985 data.
## Communications and utilities only.
@ Passenger traffic includes enplanements and deplanements.
&& This figure includes full and part time employment at Los Alamos National Laboratories (LANL). Full time employment alone at LANL = 7,688 as of September 1985 according to U. S. Dept. of Energy, Public Affairs.
&&& Includes recurring and non-recurring revenues.

Sources: New Mexico Employment Security Dept.: Sections 1, 3, 4, 5, 6, 7, 8, 9, 10;
Dun and Bradstreet, Inc.: Section 1;
U. S. Dept of Commerce, Bureau of Economic Analysis: Section 1;
USDA Statistical Reporting Service: Section 2;
New Mexico Energy and Minerals Dept., Oil and Gas Conservation Division: Section 3;
New Mexico Taxation and Revenue Dept., Oil and Gas Accounting Division: Section 3;
U. S. Dept. of Energy, Energy Information Administration: Section 3;
U. S. Dept. of Commerce, Bureau of the Census: Section 4;
F. W. Dodge Company (a division of McGraw Hill, Inc.): Section 4;
U. S. Federal Reserve: Section 8;
Federal Home Loan Bank of Dallas: Section 8;
New Mexico Natural Resources Dept., Parks and Recreation Division: Section 9;
U. S. National Park Service: Section 9;
City of Albuquerque, Albuquerque International Airport: Section 9;
New Mexico Dept. of Finance and Administration, Local Government Division: Section 9;
Parnell, Kerr and Forster: Section 9;
New Mexico Dept. of Finance and Administration: Section 10.

CITIES, COUNTIES AND FEATURES

GROSS RECEIPTS# FROM RETAIL TRADE
TOP 20 CITIES
($000)

	CURRENT 3 MONTH AVERAGE* APR-JUN	% CHANGE AVERAGE YEAR AGO	PREVIOUS 3 MONTH AVERAGE* JAN-MAR
Alamogordo	$ 11,336	-1.2	$ 11,948
Albuquerque	212,358	0.1	226,488
Artesia	4,694	-17.2	6,018
Carlsbad	12,906	-1.2	12,987
Clovis	16,702	4.9	16,580
Deming	4,746	1.4	4,649
Espanola	7,117	-1.6	6,730
Farmington	27,531	-4.4	30,454
Gallup	21,096	8.3	20,442
Hobbs	17,277	-21.3	20,259
Las Cruces	32,403	0.9	33,864
Las Vegas	5,744	9.6	5,876
Los Alamos	6,254	10.4	6,198
Lovington	3,734	-18.9	4,356
Portales	5,462	-5.3	5,174
Roswell	18,949	-2.1	19,466
Ruidoso	5,194	-4.9	4,841
Santa Fe	41,115	5.8	43,126
Silver City	7,767	15.0	6,939
Taos	6,109	4.6	6,383
State total	612,997	2.4	622,586

# Gross receipts reported are for gross receipts tax purposes, which do not include all the receipts of all firms.

* Averages are used to smooth out fluctuations in the data, which are not caused by changes in economic conditions.

Source: New Mexico Taxation and Revenue Department.

NEW MEXICO CONSTRUCTION
SELECTED CITIES

	NUMBER OF BUILDING UNITS OR PERMITS *				VALUE OF BUILDING PERMITS ($000)			
			CUMULATIVE TOTAL THROUGH JUNE				CUMULATIVE TOTAL THROUGH JUNE	
	JUNE 1986	JUNE 1985	1986	1985	JUNE 1986	JUNE 1985 r	1986	1985
RESIDENTIAL**								
Alamogordo	26	9	153	125	$ 1,073	$ 556	$ 7,163	$ 6,928
Albuquerque	650	374	1,560	2,904	23,296	15,128	135,326	118,217
Carlsbad	[illegible]	8	15	28	132	685	1,821	1,456
Clovis	17	21	90	78	1,306	1,728	5,080	4,633
Farmington	6	6	48	74	389	111	1,868	2,769
Hobbs	0	8	16	28	238	414	878	1,765
Las Cruces	35	15	308	361	1,121	922	15,058	15,539
Los Alamos	9	12	15	56	954	5,066r	4,368	4,568
Rio Rancho***	159	105r	701	768	8,374	7,466	34,828	43,872
Roswell	1	[illegible]	42	66	50	515	1,826	3,562
Ruidoso	12	15	113	85	1,365	1,243	5,678	6,298
Santa Fe	217	135	385	321	9,015	4,633	15,378	14,476
NONRESIDENTIAL								
Alamogordo	26	12	46	68	200	131	593	1,256
Albuquerque	[illegible]	36	26	222	9,678	16,788	16,691	25,173
Carlsbad	10	28	57	115	18	86	115	1,238
Clovis	[illegible]	7	21	36	166	90	1,681	4,334
Farmington	11	2	14	16	18	87	2,450	954
Hobbs	1	1	11	5	20	350	1,609	704
Las Cruces	17	17	100	125	1,104	321	6,999	7,098
Los Alamos	4	6	38	22	4	27	1,654	116
Rio Rancho***	2	0	18	14	141	0	5,108	5,610
Roswell	12	14	54	35	409	328	1,550	612
Ruidoso	2	4	9	46	150	28	1,422	1,745
Santa Fe	6	13	17	59	588	2,160	6,139	11,399

Note: Top twelve cities chosen on basis of residential construction activity during the period 1982 through 1984.

r 1985 data is revised.

* Residential data shows the number of permitted units, while nonresidential data shows the number of permits.

** Residential data includes both single and multi family units.

*** AMREP Southwest, Inc. reported Rio Rancho data.

Sources: AMREP Southwest, Inc.: Rio Rancho only;
U. S. Department of Commerce, Bureau of the Census: all others.

CITIES, COUNTIES AND FEATURES (continued)

ESTIMATED CIVILIAN LABOR FORCE AND EMPLOYMENT
(000)

	NEW MEXICO			ALBUQUERQUE MSA*			LAS CRUCES MSA**			SANTA FE MSA***		
	JUNE p	% CHANGE YEAR AGO	MAY r	JUNE p	% CHANGE YEAR AGO	MAY r	JUNE p	% CHANGE YEAR AGO	MAY r	JUNE p	% CHANGE YEAR AGO	MAY r
TOTAL CIVILIAN LABOR FORCE	686.3	5.5	674.0	258.6	6.8	251.4	58.1	12.9	55.9	64.6	6.1	63.1
Employment@	620.0	5.0	612.9	241.0	3.1	238.0	51.8	15.[illegible]	51.7	60.4	6.3	59.9
Unemployment	66.3	10.5	61.1	11.6	2.8	15.4	5.5	[illegible]	4.1	3.5	1.0	3.2
Unemployment rate (%)	9.7	5.5	9.1	6.8	-4.2	6.1	8.0	-17.5	7.4	5.4	+1.8	5.0
NONAGRICULTURAL WAGE & SALARY EMPLOYMENT	525.0	0.8	520.0	226.6	2.0	224.1	38.0	8.5	37.0	52.0	1.2	51.3
Mining	15.3	-25.3	15.2	0.3	0.0	0.3	N	N	[illegible]	0.1	-69.9	0.2
Contract construction	38.3	-1.5	37.1	18.4	-1.0	18.2	[illegible]	[illegible]	[illegible]	3.4	-5.5	3.3
Manufacturing	37.2	-0.5	37.0	19.6	3.1	19.1	3.2	[illegible]	[illegible]	1.6	6.7	1.6
Durable goods	24.2	-1.6	24.3	13.8	0.8	13.8	1.6	[illegible]	1.6	0.9	0.0	1.0
Nondurable goods	13.0	1.6	12.9	5.8	1.9	5.3	1.8	-5.[illegible]	1.7	0.7	16.7	0.6
Transportation & public utilities	27.3	-6.5	28.6	11.6	-2.5	12.1	[illegible]	8.4	[illegible]	1.3	-8.1	1.2
Trade	129.4	4.8	126.9	58.1	4.0	57.4	9.2	[illegible]	[illegible]	10.[illegible]	5.[illegible]	9.8
Wholesale	23.2	-0.4	22.9	14.4	0.7	15.2	0.8	[illegible]	0.8	0.7	0.0	0.7
Retail	106.2	6.0	104.0	43.9	5.5	42.[illegible]	7.4	[illegible]	7.2	9.5	5.6	9.1
Finance, insurance, & real estate	26.5	2.4	26.2	11.7	7.3	11.5	[illegible]	[illegible]	[illegible]	2.0	0.0	2.0
Services	119.1	3.0	116.2	59.5	3.0	58.9	[illegible]	[illegible]	[illegible]	13.[illegible]	-1.4	14.1
Government	131.7	1.5	134.8	43.8	1.0	44.0	10.3	[illegible]	11.3	[illegible]	2.1	20.2
Federal	29.9	-0.9	29.3	12.9	0.8	12.8	[illegible]	[illegible]	[illegible]	[illegible]	56.[illegible]	1.4
State	44.6	3.8	43.8	11.6	3.7	12.[illegible]	[illegible]	[illegible]	[illegible]	15.[illegible]	1.9	15.1
Local	57.2	1.1	58.1	19.1	-0.5	19.0	[illegible]	[illegible]	[illegible]	3.6	8.6	3.7

N Not available, less than 50 jobs.
p Preliminary.
r Revised.

* Bernalillo County.
** Dona Ana County.
*** Santa Fe and Los Alamos Counties.
@ Includes labor disputes.

Source: New Mexico Employment Security Department.

Total Direct Federal Expenditures or Obligations by County
($ Millions)

	FY 1985	% Change Year Ago	FY 1984		FY 1985	% Change Year Ago	FY 1984
Bernalillo	$2,652.2	9.4	$2,423.9	McKinley	$205.0	26.4	$162.2
Catron	9.0	-29.1	12.7	Mora	11.0	6.8	10.3
Chaves	140.2	14.0	123.0	Otero	324.5	7.1	303.1
Cibola	33.6	8.4	31.0	Quay	41.6	55.2	26.8
Colfax	38.9	-5.8	41.3	Rio Arriba	69.3	-10.7	77.6
Curry	184.6	12.3	164.4	Roosevelt	45.0	10.0	40.9
De Baca	7.3	4.3	7.0	Sandoval	87.1	10.8	78.6
Dona Ana	450.7	0.4	448.9	San Juan	153.5	14.3	134.3
Eddy	105.1	-24.4	139.1	San Miguel	72.0	9.3	65.9
Grant	54.4	7.7	50.5	Santa Fe	358.6	-1.0	362.1
Guadalupe	19.6	51.9	12.9	Sierra	35.4	3.5	34.2
Harding	3.0	-55.2	6.7	Socorro	56.4	27.3	44.3
Hidalgo	13.2	14.8	11.5	Taos	45.6	0.9	45.2
Lea	72.9	-44.0	130.1	Torrance	17.6	-17.8	21.4
Lincoln	26.2	-20.1	32.8	Union	14.7	-3.9	15.3
Los Alamos	831.7	17.1	710.4	Valencia	80.3	6.6	75.3
Luna	44.7	16.1	38.5	State Undistributed	279.0	-3.4	288.8
				New Mexico	$6,584.0	6.7	$6,171.2

Note: Detail may not add to total because of rounding.

Source: U.S. Dept. of Commerce, Bureau of the Census, Consolidated Federal Federal Funds Report, Volume I, County Areas, FY 1984 and 1985, and Unpublished Data.

Economic Developments . . .

(Continued from page 1)

ing, are propelling the state's economy. While jobs in retail trade gained 6.0 percent in June against a year earlier, wholesale employment slipped 0.4 percent and the hourly wage increased a small 1.0 percent. Yet, even job growth in the service sector diminished to 3.0 percent in June over a year ago which compares to a 6.4 percent rate in 1985. Within the services sector lodging employment jumped 13.1 percent in June against a year ago. Hotel construction has had a noticeable impact in Albuquerque and Santa Fe. Jobs in the accompanying eating and drinking places increased 6.5 percent over the same period. As another sign of more tourism, visits to state and national parks and monuments were also up significantly. Indications point to a record year for tourism in New Mexico. But other areas of the service sector are displaying decreasing rates of growth.

Around the state, consumer spending, resulting from lower inflation, interest rates and energy outlays, combined with defense spending are keeping the economy from tottering into recession. Still expanding retail trade and services (along with single home building in Albuquerque) are propping up the economy. The robust Albuquerque economy, however, will eventually feel the drag of a troubled state economy. This will be evident in less retail activity, slower growth in services, and reduced building of apartment complexes and offices in an overbuilt market. A cutback in the growth of defense expenditures could be especially piercing to the now healthy urban areas. Outside the three MSA's (Albuquerque, Santa Fe and Las Cruces) absolute employment fell 2.6 percent in April and May, led by 4,300 jobs eliminated in the mining sector since the beginning of the year. These non-metropolitan regions are also experiencing job cuts in construction, manufacturing, utilities, and the federal government.

Richard Zimmerman
Economist

NOW AVAILABLE

The Bureau of Business and Economic Research has released a new publication titled *Albuquerque Business Climate: A Comparative View*. This study compares Albuquerque to selected Western metropolitan areas in terms of population, income, employment, wages, costs of living, taxes, education and general quality of life. Individual copies are $15.00 each; five or more copies are $10.00 each. For more information call the Data Bank at 277-6626.

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